

Perm. Palmer

Board of National Missions
of the Presbyterian Church in the
United States of America

156 Fifth Avenue, New York 10, N.Y.

Office of New Church Development
and
Building Aid

August 16, 1955

Palmer, Alaska

1949-Loan X #1139-1	- - -	\$3,000.
Reduced to	- - - -	\$1,350.
1953-Loan X #1139-2	- - -	\$2,000.
Reduced to	- - - -	\$1,600.
1952-Mortgage Grant #5917	-	\$2,000.

Mr. Winston M. Laughlin
Star Route
Palmer, Alaska

Dear Mr. Laughlin:

Due to vacation absences, we have been delayed in acknowledging your check in the amount of \$271.33, which we received July 28, 1955. We took note that you wished this money applied as follows:

To Loan X #1139-1: \$150.00 on principal, and \$10.00 to interest

To Loan X #1139-2: \$100.00 on principal, and \$11.33 to interest

Please be advised that interest can be applied only on the due dates, and interest on both Loans has been satisfied to the last due date: namely April 1, 1955 for Loan X #1139-1, and April 15, 1955 for Loan X #1139-2. Interest on these Loans will not be due until October 1 and 15, 1955.

Consequently, we have applied \$150.00 to semi-annual instalment #11, due as of October 1, 1955 on Loan X #1139-1, and \$100.00 to semi-annual instalment #4 on Loan X #1139-2, due as of October 15, 1955. Advance principal repayments may be made at any time, and that is why we could give this advance crediting. However, we are left with an excess payment of \$21.33, representing the advance interest, which we cannot at present apply. Please let us know at your earliest convenience if you want a refund from the Board for this amount, or whether you want it applied further on account of principal. We need to know as soon as possible so that our bookkeeping may be placed in order.

Meanwhile we are enclosing our Official Receipt for \$250.00, showing the crediting given above.

cc: Rev. R. Rolland Armstrong

Very sincerely yours,

John N. Penn, Jr., Secretary

FOR YOUR INFORMATION AND
WELCOMED COMMENTS-J. N. PENN
cc. Rev. J. E. Jackman, D.D. ✓

JNP:mcs

CC: Dr. Lee McKinley; Mrs. Walter Huntley; Mrs. Don Irwin; Mr. Lloyd Morley;
Dr. Winston Laughlin; The Rev. Brian H. Cleworth; Dr. R. Rolland Armstrong

Board of National Missions
of the Presbyterian Church in the
United States of America

156 Fifth Avenue, New York 10, N.Y.

October 11, 1955

To the Officers of the
United Protestant Church of Palmer

Dear Friends:

We are writing you regarding the financial support of your church during 1956. It is the policy of the Presbyterian Church and the Board of National Missions to desire a Christian ministry for every individual, family, and community in the United States, Alaska, and the whole world. It is believed that every church and community should give according to the ability of the people to provide this ministry. When each church has done what it can and then is not able to take the full responsibility, Presbyterians in other churches give to help them have a trained devoted leadership.

During 1954, we added some workers to our program. At the close of the year, we had a serious deficit, largely because we added the workers and some churches did not pay what they were requested and what was pledged. During 1955, we have one less worker and there has been a sincere effort on the part of some of the churches to increase their own part of the support and add to the receipts for service from the field. If each church pays what has been pledged and the field receipts continue to increase, we will be able to come out even at the end of the year. We need your help to do this.

As we look forward to 1956, we have every field covered with good leadership. We have received the same budget appropriations as for 1955. With some increases from the local churches, we could just about hold what we have, but we need to do more. We need a worker for the Eskimos in Fairbanks; a second full-time worker at Barrow; another motorship in southeastern Alaska, and other projects that could be named. Just meeting our budget or any advance we make can come only through increased support from the present churches. We are asking all aid-receiving churches, using a formula of about 80% for current expenses and 20% or more for benevolences, to increase their part of the salary of their missionary-pastor. An increase from each church means a more adequate mission program for more people in Alaska. Applications for Aid will be sent out by Dr. Armstrong. Three copies should be completed after the annual meeting early in January. Two copies are to be sent to Dr. Armstrong who will send one copy to New York. Meanwhile, we need to know by December 1st how much your church can and will take in the salary of your missionary-pastor for 1956.

Sincerely yours,

J. Earl Jackman, Secretary
Dept. of Work in Alaska

JEJ:FK

Palmer, United Protestant

P.S. During 1955 the Church was asked to pay \$2490.00 toward the support of its missionary pastor. According to our records \$2490.00 has been paid to September 30. The entire amount is needed. During 1956, the church is asked to pay \$3700.00 or more if possible. The response to this will show how much we appreciate God's gifts to us and what it means to have the church in Alaska.

* Paid by Palmer through Sept. 1955 - \$2310.00 (plus \$172.99 as Field Receipts);
** paid by Wasilla through June 1955 - 150.00

CC:

Ed
Palmer Ch. NW

May 1, 1956

VIA AIRMAIL
The Rev. Bertram Rutan
Box 813
Skagway, Alaska

Dear Bert and Marty:

Congratulations upon your call to the congregation of the Palmer Church. Brian has sent us a wire giving us the information and also that he has notified you about it.

As a result of this call we would take it for granted that you would be leaving Skagway about June 1st for your three months furlough due in the States and plan to return to Palmer as of September 1st to pick up the work there.

In accordance with our agreement with the Skagway Church they would have a continuing obligation for your salary during the three months furlough and the Board would continue to pay our part of it. We would ask the church to take their proportion of one-half of your transportation cost from Skagway to home for the furlough.

Our next question is to continue service for Skagway after you folks leave. On the 14th of May, I am to have a conference at Louisville Theological Seminary with Ron Walthall about service in Alaska with the suggestion that he be considered for Skagway. Ron served with Vic Alfsen at Fairbanks last summer and Vic has given him a good recommendation with a suggestion that he would be glad to have him back again. If Ron and his wife are willing to accept our recommendation of them for Skagway, we would then send the papers immediately to the Session of the Skagway Church, with copies to Dr. Armstrong and Don Schwab as chairman of the National Missions Committee for consideration. All of us would have to be alert on this because of the limitation of time involved. If Ron and his wife accept and papers can be cleared and approved it maybe possible for them to be on the field before the end of June. If Ron and his wife do not accept we have no other immediate prospect available but will have to do some searching, in which case we would supply a seminary student for the summer and move as quickly as possible to permanent personnel for the field. Please assure the Officers of the Skagway Church that we will do everything we can to help them find a missionary-pastor as soon as possible.

The Rev. Bertram Rutan

-2-

May 1, 1956

Let us know about your plans. If the Skagway Church is not ready to assume its part of your travel cost we are ready to make an advance to cover the whole thing and ask the church to settle with us a little later. If the Walthalls should come to the field by the end of June, there will be a doubling of salary during July and August. We would ask the church to do whatever it can on this but recognize that this maybe an unusual load which they are not prepared to carry. In which case, we will do what we can about it.

Regards to all of you.

Cordially yours,

JEJ:dj
cc: Dr. Armstrong
The Rev. Donald Schwab

J. Earl Jackman, Secretary
Department of Work in Alaska

Ol
Palmer ch, Mr

June 7, 1956

The Rev. Bertram H. Rutan
c/o Chaplain H. George Randolph
Emanuel Hospital
2801 N. Gantenbein
Portland, Oregon

Dear Bert:

We were glad to get your letter of June 2nd saying that you had arrived safely in the States and were getting settled for your summer vacation and program. We hope that you will have a good rest, get some training and inspiration and find the hospital porcedure for the relief of Marty's trouble.

You certainly will need a dependable car for Palmer but what we can do about it is another problem. We have been trying to dig up sufficient funds to be able to take one-half of the net cost of replacement of cars for our people in Alaska and to ask the local church to participate in this with us in proportion to their part of the salary. Our difficulty in your future situation is that the congregation there has just participated with us in the purchase of a new station wagon for Brian and I'm sure there would be some reluctance to do it again so soon. In fact, some of the side remarks during the time they were raising the money for this were a little disturbing to Brian and helped make his decision not to return to Palmer. Whatever help you get on this will have to come out of National Missions funds and we will have to do some digging to find it.

Suppose you do a little survey work and see what can be done. Find out how much you can get for your present car. Then decide what kind of a car in the suburban line you would like to have. We have a contact here in New York City through which we can purchase most any make of the moderate price cars at factory price plus \$50 for Detroit delivery. If you can get a fair price for your present car in the Portland area, it would pay you to fly to Detroit by aircoach and pick up a new car there at factory price plus \$50. Give me a description of exactly what you want and I will see what the cost will be for a new car. Also you will find that the used car market is very favorable for the buyer and you might run onto a very good used car in the Portland area which would be a favorable buy. After you have done a little research on this let me know and we will see what we can do here.

The Rev. Bertram H. Rutan

-2-

June 7, 1956

You have asked if you could borrow funds from the Board for your part of the cost of the car. Officially, the Board has not done this but in a few cases we have allowed an advance against the salary which would have to be repaid in full by the end of the current calendar year to help in this without the high cost of interest. Tell us how much you would need and what your plan would be to finance it.

Regards to all of you.

Cordially yours,

JEW:dj

J. Earl Jackman, Secretary
Department of Work in Alaska

Al
Palmer Church

September 28, 1956

VIA AIRMAIL

The Rev. Bertram H. Rutan
Box 235
Palmer, Alaska

Dear Bert:

Thanks for your long letter giving us something of the story of your trip North and the things that you are finding as you begin your work in Palmer. We are glad to know that you have had a fine warm reception from the people and that you feel your ministry there is going to be happy and profitable. We, too, regret that you have found a deficit in the treasury department but we recognize that the regular pastor of the church was not on the grounds during the summer. The church council was conscious of the fact that there were certain large obligations in this change on the field in their ministry so that they expected to have a heavy drain on the treasury. We hope this will be overcome during the fall and early winter.

We are sorry that you had the accident enroute to Palmer but grateful that no one was injured and that there was not serious damage to the car.

On the purchase of the car, we note that the total cost was \$3,039.45 and you had a trade-in allowance of \$817.45, making a net cost of \$2,222. Ordinarily, your employer would take one-half of that cost which would be divided between the church and the Board in proportion to the salary which each one pays. Inasmuch as the local church has just helped to replace the car of Brian Cleworth we feel that the congregation cannot be asked to do this again so soon. If we were to divide the net cost of the car among the three of us it would mean \$1111 for you, \$808 for the church and \$303 for the Board. We have no funds in the regular car appropriation for this during the balance of this year but we could dig up our part from some other source. We feel that you should not be penalized to the extent of \$808 because of a situation which you find on a new field so we will make an effort to take the entire responsibility of one-half of the net cost, namely \$1111. In working this out I may have to wait until some new funds are available early next year for car appropriations, draw on that fund in a payment to you and then ask you to return it to me to put back into the fund from which we are taking this money now to cover the present need. You can forget about it until the occasion arises and we will work it out from this end with proper directions for you. Your greatest concern now is that we can make some arrangement to cover this requirement.

We made an advance to you of \$2400 so you could get the car. Our responsibility for its purchase amounts to \$1111. You should refund to us \$1289. We will return this to the fund from which we took it and then work out the balance of it after the first of the year.

Another thing we need to work out is the proportion of the Board and the church of your return travel expense. This should be worked out as soon as we are able to do it so the account can be cleared.

The property in Palmer is owned jointly by the church and the Board of National Missions. With their increased responsibility for the amount of salary we have rather looked to them for an increased responsibility for the care and upkeep of the property as well as the furnishings of the manse. There have been occasions when the women there have added pieces of furniture or other things to the manse and only occasionally have we had any part in it. Not too long ago we provided funds for a new living room rug and some other things, possibly a washing machine or something like that. Anticipating that there might be some small adjustments necessary with a new family coming into the manse we had asked for \$200 from National Missions Building and Repair funds for general repairs and furnishings on the manse. This is available and can be called upon if it is not possible for the local people to care for it. They are having rather heavy expenses now with some duplication of salaries and travel expenses so that we are willing to carry this responsibility if they cannot do it.

Speaking of repair items, it is essential that something be done to remove the lower round of logs on the outside walls of the manse and put down some concrete foundations to save the manse building. This was contemplated two years ago and a request came here for some assistance to do it. We asked for and received an appropriation from the Board for \$500 which was to have been used to supplement what the local people could do in cash and volunteer labor to have it done. We should draw on this amount for not more than half of the cost of the materials and, if possible, no labor should be included. This is a project which ought to be done within the next year so that there will be no shrinkage or sinking of the walls.

We have not been able to do anything about a discount on an A. B. Dick mimeograph machine. On one other machine we were able to get a very small discount but had to pay the transportation charges so that it did not advantage us any. It might be possible that Warne Clark, 13416 25th Avenue, N. E., Seattle 55, Washington, who is our purchasing agent, could find a place in Seattle to get the machine you want for a discount or some advantage. You might write to him and ask what he can do for you.

At the meeting of the Council in April, we did talk about a congregational meeting in connection with the Preaching Mission in October to consider the question of adopting the Presbyterian form of government. The Council voted in favor of it with one dissenting vote. It had been my plan to be in Palmer over one night to have this meeting with the congregation. Council members felt that they could discuss it among the members of the church and any antagonism toward the idea might die out by that time so that there would be no difficulty about it. It ought to be understood that this does not mean to make a church which is exclusively Presbyterian but rather it should mean that they would adopt the Presbyterian form of government and still give an emphasis to a Christian fellowship in which any person from any other denomination might feel welcome and at home as a working member or constituent. Our discussion included the possibility of affiliate membership which would permit persons from any other church or denomination to retain their membership in their former location but still have

September 28, 1956

an active relationship with the local church. If the Council feels, after the weeks intervening, that a discussion and action on this were to create irritation and antagonism certainly it ought not to be brought up at the time of the Preaching Mission when it is the hope of all that there may be felt a unity of the Spirit in their fellowship to revitalize the spiritual life of the church and bring others into that fellowship. Let the Council be frank in expressing its mind, if such a meeting would bring an exhibition of sharpness of spirit, let us not have it in connection with the Preaching Mission. In either case, I hope to see all of you in October.

Best regards to all.

Cordially yours,

JEJ:dj

cc: The Rev. Brian H. Cleworth
The Rev. Frank J. Walkup

J. Earl Jackman, Secretary
Department of Work in Alaska

OCT 8 1956



"THE CHURCH OF A THOUSAND TREES"

United Protestant Church

PALMER, ALASKA

October 3, 1956

Dr. J. Earl Jackman
156 Fifth Avenue
New York 10, N.Y.

Dear Dr. Jackman:

As the time for the preaching mission draws near, it also becomes necessary for us to plan for the congregational meeting when you will discuss the possibility of this becoming a Presbyterian Church. ~~Since~~^{no} definite date has been set, but since proper notice must be given to the church membership, we would appreciate having a suggested date, perhaps with alternate, from you after you check your schedule.

You may also want to know of preliminary action taken by the Trustees' Budget Committee. In trying to estimate the 1957 budget, a final figure of just over \$16,000 was the result. This includes about \$3,000 for both necessary and inevitable improvements on manse and church, the majority of that for replacement of the logs around the manse and an increase of \$300 in pastor's salary, following the trend of recent years. This total budget is an increase of about \$3,000 over last year.

It was felt that if this could be accomplished this year (the improvements), it would put us in good position to consider full self-support the following year since no other major expenses are in sight after the manse is fixed. The officers did seem to feel that they could not do both this and full self-support including total salary, car expense, etc. ^{this year} Final decision on the budget, however, will be made after your visit here.

Sincerely,

Bertram H. Rutan

P.S. Could you include in your reply the arrival time in Anchorage of Dick Blair for our preaching mission? Miss Irvine is due in about the same time for the hospital board meeting and I am trying to arrange transportation for both without an extra trip.

When writing to Alaska please use Air Mail

VALLEY PRESBYTERIAN HOSPITAL

Operated by the
Valley Hospital
Association,
Incorporated
PALMER, ALASKA

January 25, 1957

YEAR-END REPORT 1956

The enclosed folder explains the background and basic policies of the Valley Hospital Association, operating the Valley Presbyterian Hospital. During 1956, your Association had the support of 525 dues paying members. The year was marked by many changes in membership on the Board of Directors. Other changes occurred in the make-up of the hospital staff. Despite these changes the hospital continued its course relatively undisturbed. It served more people than ever before.

A total of 815 adults and children were admitted to the hospital as inpatients. During the year 114 babies were born in its OB ward. Inpatient loads are better compared by the number of patient-days. These amounted to 5,366 this year as compared to 4,599 in 1955, for an increase of nearly 17 percent. Listed on outpatient records were 1,422 individuals treated for a variety of ills and hurts. Outpatients treated in 1955 numbered only 883.

Gross value of services rendered per inpatient-day amounted to about \$26 in 1956 as compared to about \$24.50 in 1955. Gross value of services rendered per outpatient in 1956 was about \$8 as compared to nearly \$10 in 1955. Actual cash collections (excluding contributions) amounted to \$143,345 as compared to \$117,558 in 1955--an increase of 22 percent. This improvement is thought to reflect firmer efforts to tighten up collections on accounts receivable.

AUDIT George Hedla (of Kincaid and Hedla, Anchorage) audited the accounts of the Valley Hospital Association in June. His report is now on file and available for inspection at the hospital front office. Both Mr. Hedla and the Alaska Hospital Association have commended the present accounting system and the manner in which books are kept. This CPA audit covered the period from January 1, 1955 to April 30, 1956. Mr. Hedla donated his time for this work. The Association owes him a vote of thanks.

1956

CHARGES & INCOME ITEMS

EXPENSE ITEMS

Medical & surgical supplies . \$ 3,102
Pharmacy 14,263
Laboratory 10,691
X-ray 6,630
Special services 1,973
Anesthesia 4,986
Nursery 3,102
Room 81,839
Delivery room 3,342
Operating room 5,969
TOTAL inpatient charges . . \$135,897

Medical & surgical supplies . \$ 1,569
Pharmacy 697
Laboratory 1,568
X-ray 6,607
Special services 230
Facilities 552
Equipment rental 45
TOTAL outpatient charges . . \$ 11,268

TOTAL GROSS PATIENT CHARGES . \$147,165

Less free services
Alaska Native Service . . \$- 828
Alaska Dept of Health X-rays -1,524
Department of Public Welfare -2,179
Alaska Railroad Association - 210
Blue Cross contracts . . . - 339
MVFCA X-rays - 18
Veterans Administration . . -1,146
Courtesy allowances - 21
Employees - 971
TOTAL "FREE SERVICES" . . . \$-7,236

Less uncollectible receivables -9,948

Board of National Missions . . \$ 3,000
Contributions 2,856
Conated commodities 1,325
Transfer from temporary funds . 903
Meals sold 1,340
Bad debt recoveries 4,332
Miscellaneous revenue 627
TOTAL OTHER INCOME \$ 14,383

TOTAL NET CHARGES & INCOME . \$144,364

Office salaries \$ 9,000
Supplies & expenses 1,776
Insurance 4,098
Communications 615
Collection fees 1,389
Employers FICA contribution . 1,786
Employment security taxes . . 2,692
TOTAL administrative expense \$ 21,356

Kitchen salaries \$ 10,131
Kitchen supplies & expenses . 288
Food purchases 9,496
TOTAL dietary expense . . . \$ 19,915

Housekeeping salaries \$ 2,737
Supplies & expenses 443
TOTAL Housekeeping expense . \$ 3,180

Laundry salaries \$ 3,783
Supplies & expenses 497
TOTAL laundry expneses . . . \$ 4,280

Engineers salary \$ 6,023
Fuel purchases 4,432
Purchased services 5,582
Maintenance & repair 1,039
TOTAL plant expense \$ 17,076

Nurses & aides salaries . . . \$ 54,899
Medical & surgical expenses . 13,049
Nursery expenses 230
TOTAL nursing expense . . . \$ 68,178

Record librarian salary . . . \$ 792
Supplies & expense 137
TOTAL medical records expense \$ 929

Medical technician salary . . \$ 5,309
Laboratory supplies & expense 1,823
X-ray supplies & expense . . . 1,301
TOTAL laboratory & X-ray . . \$ 8,433
Linen purchases \$ 1,140

TOTAL OPERATING EXPENSE \$144,487

➡ OPERATING LOSS FOR 1956, excluding any provision for depreciation \$ 123
Operating loss for 1955, excluding depreciation \$3,906

OPERATING LOSS including depreciation & loss on old hospital . . \$ 19,743

A doctor is on call 24 hours a day at the hospital

PROGRESS Since the total population served by the hospital is estimated at between 4,000 and 5,000 persons, it would seem that a third to a half of the community was forced to use this facility during 1956. This does not include use made of the civic health center. More use of the hospital, better payments, stepped up contributions from the entire Valley (and Anchorage)--all indicate real progress. Contributing to this progress were the efforts of the Hospital Auxiliary, Community clubs and churches, Palmer's business houses and public utility organizations. All of these various groups helped immeasurably in promoting a better understanding of the hospital and its functions in the Matanuska Valley.

The hospital entered the year owing some \$20,000 in accounts payable. In mid-1956 the Employment Security Commission claimed \$2,457 in delinquent taxes for 1955. A previously reported figure of \$17,659 in accounts payable as of December 31, 1955, was therefore adjusted upwards by this amount. During the year an additional \$144,500 was spent or obligated from the general fund for operations. Total accrued operating expenditures or obligations at the end of the year thus amounted to about \$164,000.

Offsetting these was \$807 cash in bank when the year opened. Cash collections (excluding donations and temporary funds) during the year were a little over \$143,000. Total operational resources available were thus about \$144,000. The Finance Committee during the year built up a cash reserve of \$6,000 to be held in the bank so that monthly payrolls could be promptly paid. This left \$138,000 to apply against the year's obligations. The year closed with the hospital still owing about \$26,000 (\$164,000 less \$138,000) in accounts.

1955 COMPARED WITH 1956

Item	1955	1956
Inpatient charges	\$112,287	\$135,897
Outpatient charges	8,615	11,268
Less "free services" rendered	-6,227	-7,236
Less uncollectible accounts	-4,511	-9,948
NET VALUE OF SERVICES RENDERED	\$110,164	\$129,981
Other income	\$ 10,951	\$ 14,383
TOTAL	\$121,115	\$144,364
Actual cash collections	\$117,558	\$143,341
Front office & bookkeeping expenses	\$ 18,247	\$ 18,664
Cooking & food expenses	21,785	19,915
Housekeeping expenses	3,902	3,180
Laundry expenses	3,445	4,280
Heat & maintenance expenses	17,100	17,076
Nursing & medical supplies expenses	52,677	68,178
Laboratory & X-ray expenses	4,575	8,433
Medical records expenses	-	929
Linen purchases	833	1,140
Employment Security tax	2,457	2,692
TOTAL EXPENSES	\$125,021	\$144,487
NET LOSS (excluding depreciation)	\$ 3,906	\$ 123

THE HOSPITAL ACTUALLY OPERATED DURING 1956 WITHOUT GOING FURTHER IN DEBT. (\$26,000 less \$6,000 equals \$20,000, roughly the amount of accounts payable at the beginning of the period.) ON THE OTHER HAND, NO FUNDS WERE SET ASIDE TO OFFSET MAJOR DEPRECIATION IN THE NEW BUILDING. NOR DID IT PROVE POSSIBLE TO PAY ANY APPRECIABLE AMOUNT ON THE HOSPITALS OLD DEBTS ACCRUED DURING ITS FIRST TWO YEARS OF OPERATIONS.

MAJOR OPERATING DEBTS -- During 1956 the Association Board made no progress in providing a real working capital reserve for the hospital. Continued operation was made possible solely by the generosity of local merchants and utility organizations, supplemented through credit extensions by major supply houses. The Board attempted to relieve the credit burden on small businesses, which meant that large organizations were forced to assume a large proportion of the load. Their credit extension burden was still further increased by reserving at least \$6,000 in cash to meet payrolls. This decision was made in order to avoid placing this burden on employees, who have a right to expect their salaries on schedule. The effect of these decisions is shown in the following summary of accounts payable at the beginning and end of the year:

Owed to --	As of December 31--	
	1955	1956
Matanuska Electric Association	\$ 2,568	\$ 5,555
Matanuska Valley Farmers Cooperating Assn.	5,162	5,136
Bert's Drug Store.	78	352
Evan Jones Coal Company.	2,036	1,436
Matanuska Telephone Association	145	271
City of Palmer (water)	461	1,607
Employment Security Commission	2,457	4,059
Don Chemical Company.	10	246
TOTAL LOCAL ACCOUNTS PAYABLE	\$14,640	\$20,244
Biddle & Crowther (medical supplies)	1,554	1,903
Parke, Davis and Company	359	579
Don Baxter, Incorporated	190	687
The Upjohn Company	58	330
McKesson Robbins	187	557
General Electric.	279	479
TOTAL OUTSIDE ACCOUNTS PAYABLE	\$ 5,476	\$ 5,363
GRAND TOTAL.	\$20,116	\$25,587

Detailed financial reports are available for study at the hospital administrative office. These include month by month and year-end statements. A certified audit report covering the period January 1, 1955, to April 30, 1956, is also available.



Members newly elected to the Board can expect continuing difficulties from this method of financing -- that is, depending on credit extension by suppliers. MEA, MVFCA, city officials, ESC, and local businessmen have a right to expect prompt settlement of accounts. Good business practices require that they must insist on full payment.

On the other hand, the Association's resources are extremely limited. If 1956 trends are taken as a valid yardstick, then 25 years are needed to pay off all old accounts. In order to find a more rapid means of paying off old accounts, the Board has initiated certain measures towards legislative relief in cooperation with the Department of Health and the Alaska Hospital Association (see resolution on last page). Other help has also been sought.

As the year closed, some objections were raised by the Board of National Missions of the Presbyterian Church (U.S.A.) to a certain proposal of assistance thought to be incompatible with church policies. Several Board members believe these objections are not realistic when applied to Alaska and particularly to the local scene. It is expected this matter will be explored more fully in the near future, with the object of defining more fully the roles of the Association and the Board of National Missions. The necessity for these discussions in no way diminishes the appreciation of the community at large for the great service rendered by the Board of National Missions to the Matanuska Valley.

FORD FOUNDATION PURCHASES Through the Ford Foundation, grants were made available to many hospitals for the purchase of equipment. Out of an initial \$5,000 grant to the Valley Presbyterian Hospital, the following items have already been put into use with others on order: oxygen tent, humidifier, electrocardiograph, microscope, X-ray apron, porto-lift, thermatic pump and electric typewriter. The addition of some of these items has made it possible for a number of patients to be treated here rather than at Anchorage. Another \$5,000 will be made available to the hospital in April for the addition of other valuable equipment.

CHURCH SCHOOL GIFT Members of the United Protestant Church Sunday School shared in a special Christmas offering to purchase a gift for the hospital. Out of a list of items, the Sunday School chose an arm treatment tank. There was a sufficient balance to include another gift -- a quarter-inch electric drill for the maintenance department.

Don't forget to bring your 1958 bonds to the February 15 annual meeting. Ten of them will be redeemed at that time. Meeting is scheduled for 7:30 in High School.

THE PERSONNEL COMMITTEE has continued its efforts towards assembling a standing operating procedure for the hospital. Recent jobs undertaken included a moderator's guide and a description of procedures for the committee itself. Bill Sharrow helped in re-organizing the material at hand. Most of the burden was assumed by Ann Demming who reports some 15 hours already invested in basic work.

Among other actions by the committee were hiring supervisory personnel and insuring that training meetings are continued for aides and new nurses. The committee also approved numerous actions by department heads in their minutes, and transmitted this information to the Board where its significance was interpreted. All decisions concerning salary increases were initiated by the Personnel Committee.

HOSPITAL STAFF As the year closed the nursing staff was only at partial strength after a decline in late spring. Even though salaries had been raised to meet Stateside competition for nurses, recruitment has progressed slowly. The following persons were on the staff as of December 31, 1956:

MARGARET SHARROW	Head Nurse	RUTH EVERETT	Secretary
EVE PAPEZ	Assistant	DOUGLAS POMMIER	Bookkeeper
LILA FRANCE, LEONA DACH, LILA UBERT and JUNE LEIBING	General Duty	DONALD MALSON	Engineer
		DARLENE OVERTON	Chief Cook
		NITA NOLAN	Second Cook
DOROTHY BATTERTON	Technician	AGNES ZABORAC	Laundry
HILDA HERMAN	Chief Aide	MARY LEIBING	Housekeeper

Mrs Herman is the senior employee of the hospital in length of service. She was honored at a party in early January by her fellow-workers who presented her with a watch.

ADDRESSES NEEDED The following persons own bonds in the old hospital building. They have interest payments that should be mailed to them. Information about where they can be reached will be appreciated: TED & BARBARA GLENN, N.C. BOND, SAW, DONAGHY

BLUE CROSS is now paying higher benefits. Persons covered by Blue Cross policies are no longer required to make advance deposits upon admittance to the hospital.

APPRECIATION The Board of Directors expresses their sincere thanks to the hospital employees, the medical staff, and all others whose help contributed so much to the hospital during 1956.

By the Board of Directors
For the VALLEY HOSPITAL ASSOCIATION, Incorporated

ALLAN H. MICK, President o
ANNIE C. DEMMING, Secretary
KATHLYN R. PIPPEL, Treasurer

and

FRANCES DINKEL o	RALPH KOSLOSKY o
MARJORIE BREWER	WILLIAM SHARROW o*
JOHN BURNETT *	STEWART DURRANT *
BRIAN CLEWORTH oo	BERT RUTAN oo
DORIS McKINLEY **	GAYLE ROWLAND o
JOHN WEISENBERGER *	

Report prepared by Mick & Pippel
and edited by Rutan 1/25, 1957

* Resigned oo Apointed members
o Term expires ** Alternate



"THE CHURCH OF A THOUSAND TREES"

United Protestant Church

PALMER, ALASKA

February 5, 1957

Dr. J. Earl Jackman
Room 711
156 Fifth Avenue
New York 10, N.Y.

Dear Dr. Jackman:

At the meeting of the Church Council last night, the matter of your meeting with the congregation this Spring to explore the existing relationship and possibility of church was discussed briefly. It was felt that since the members of the Council had contacted only a limited number of members on this question earlier, we should acquaint the total membership with the probable time and purpose of this meeting lest delay in announcement be interpreted as an attempt to withhold information. A letter explaining the meeting will therefore be sent out shortly.

To this end, we should begin to plan for that meeting but realize it must depend on your schedule. Even if you can give at this time only a tentative date, subject to change, it would help. Perhaps the Sunday afternoon of the 24th of March would be one possibility, since Presbytery is from March 21 through that Sunday evening.

I feel that your discussion with the Council last October was very helpful and that if that sort of thing can take place with the congregation we will be in position to gauge reaction and anticipate action, throughout the larger membership. As indicated at last October's meeting, we will stress that this is a discussion and informative meeting rather than one calling for action at this time.

Sincerely,

Bertram H. Rutan

cc: Brian Cleworth

P.S. If ^{you} would be available to speak at the morning worship Service that Sunday, we would be delighted, but you will probably want to know your total program during Presbytery before making your answer.

When writing to Alaska please use Air Mail

2/6/57

INTER-OFFICE CORRESPONDENCE
Board of National Missions

TO: Dr. Herman N. Morse
Dr. Alexander E. Sharp

DATE: February 1, 1957

RE: Valley Presbyterian Hospital
Palmer, Alaska

FROM: Katharine E. Gladfelter

Miss Windham talked with me some two weeks ago when the problem in connection with the Valley Presbyterian Hospital first came up, and I have now just reviewed the correspondence. Since my surgeon has not yet set the date for my return to the office I now want to try to put my thinking down on paper.

BACKGROUND

When I met with the officers of the Valley Hospital Association in October, 1949 after they had approached us relative to cooperation in the hospital, various channels were discussed. One of these was the assumption of full responsibility by the Board of National Missions. I felt, however, that the community interest in the hospital and the existence of the Association was a valuable asset which should not be lost and actually that if we did take complete responsibility we would soon take steps to set up a local cooperating group. We, therefore, proceeded on the basis of a cooperative relationship and the first contract was worked out accordingly.

This cooperative relationship has been fourfold:

- 1- An annual subsidy of \$3000.00 a year plus special gifts which came through the Board and sewing supplies channeled through Miss Gillespie's Office. The average annual value of these could be determined if desired.
- 2- Assistance in securing personnel where the time element permitted. As I recall, we have provided several nurses, a laboratory technician, and a business manager.
- 3- Representation in management through our two members on the Board of Directors, i. e. the minister of the United Protestant Church, and the Assistant Secretary for Work in Alaska.
- 4- Provision of chaplaincy service through the minister of the United Protestant Church.

PROPOSED CHANGES--1955

During 1955 some changes in the relationship were proposed. Our two representatives felt that they were often in quite a minority position and it was suggested that since the Hospital Board was in financial difficulties the Board of National Missions might well increase its contribution and have additional membership on the Board.

A draft of a revised contract was worked out with Dr. Armstrong and sent to him for discussion with the Hospital Board. The two major changes in this draft were provision for an increase of \$2,000.00 in the annual subsidy and an increase in Board representation to four. At the time of the discussion the local Board had been promised an allocation by the Territory toward the current year's deficit and hoped that this would be made each year. (It has not been.) There was also a feeling that the local community should do more before the Board should be asked to increase its support and so the provision for the increase of \$2000.00 was stricken out. Provision for four National Missions representatives was left in.

The proposed draft of the revised contract was cleared with Mr. Tribus and approved by the Board in December, 1955 with the understanding that signature for our Board was subject to the agreement of the local Board. This action was communicated to Dr. Armstrong and Mr. Cleworth and arrived at a time when more community interest and support was being shown. As a result they advised, and we accepted their advice that the Board not press for additional representatives or a new contract, and the matter has rested there.

RECENT HISTORY (1956)

Mr. Rutan, who succeeded Mr. Cleworth in the United Protestant Church last September, and Mr. Cleworth himself have several times raised questions about the status of a church-related but not church-operated institution. These questions may have arisen from changes in the local Board as Dr. Mick (of the Agricultural Experimental Station and a very capable chairman) is not a church member while two of the more active members, both women, are Catholics. As I recall, there was no specific issue connected with the matter of church relatedness until the proposed contribution from the Alaska Liquor Dealers came up.

OBSERVATIONS

There seem to be four possible procedures:

- 1- To continue as at present with the clear recognition on both sides that genuine respect and allowance for the other's point of view is essential.

February 1, 1957

To date we have not questioned decisions of the local Board though we have not always agreed with them. By the same token, it seems to me that the community representatives could well afford to accept our point of view on the current question which is so vital to us. However, since the hospital is in debt to local merchants I would hope that, in the interest of good public relations, we could offer a supplemental appropriation, say of \$5000 for 1957.

This proposal would not solve the basic questions in church-relatedness, but would maintain a working agreement which does have the advantage of placing responsibility on the community.

- 2- A second possibility would be to submit to the local Board the proposed revision in the contract. This might, or might not, be accompanied by the original suggestion to increase our annual subsidy by \$2000.00. This step would give us more participation but not control, and might be worth trying.
- 3- A third possibility would be to propose majority National Missions representation on the local Board with a large enough annual subsidy to cover the deficit. This might mean an increase of some \$12,000 to \$15,000 in our contribution.

This step would mean actual control and would, I think, be questionable with the amount of community interest which seems to exist.

- 4- The fourth possibility is to terminate our contract at the end of 1957 and withdraw. We would still hold a grant mortgage to protect our investment in the hospital. The question of insurance covering our investment would have to be looked into in this case.

The risk in this step is that the hospital might not be able to continue in which case the local reaction against the Board, and against our church in Palmer, would be very great.

As I have been jotting down these comments the conviction has been growing on me that since Mr. Cleworth must carry the ball for the Board at the Hospital Association meeting on February 15, it would be highly desirable for him to be able to talk with you before that time. My one urgent recommendation seems to be, therefore, that he be invited to come to "156" for conference at the earliest possible moment.

KEG:md

Dictated by Miss Gladfelter
but signed in her absence

Valley Presby Hosp. Palmer, Alaska

Board of National Missions
of the Presbyterian Church in the
United States of America

156 Fifth Avenue, New York 10, N. Y.

FEB 13 1957

February 11, 1957

My dear Mr. Cleworth:

At the meeting of our Board on February 7 and 8 an action was taken relative to the Valley Presbyterian Hospital which supported the decision reached by the Executive Officers and our Department as transmitted to you in our wire of January 16. It was as follows:

"It was recommended that we support the position of the Executive Officers and the Department of Educational and Medical Work in refusing to continue to be identified with the work of the Valley Presbyterian Hospital at Palmer, Alaska, if the Valley Hospital Association, Inc. accepts support from a raffle conducted by the Liquor Dealers' Association of Alaska.

"This was VOTED."

Two questions have been raised in the correspondence received since our wire, the one being that of the authority of our Board and the Valley Hospital Association, and the other that of the relationship between our Board and the Hospital Association.

In regard to the first, we recognize very clearly that the Hospital Board has the authority to vote to accept funds from the Liquor Dealers' Association. The only issue at this time, from our point of view, is whether we as a representative Board can be identified with an Association that receives money from liquor and a raffle, and the only position we can take is that we cannot be so identified since we are controlled by the General Assembly of the Presbyterian Church which has constantly made pronouncements against both. Our position in this matter is not an effort to force the Hospital Board to rescind its former action, but is based entirely on the position of our Board and the General Assembly in regard to liquor and gambling.

Relative to the larger question which has been raised as to the relationship of our Board to the Valley Hospital Association, we want to state that our interest is just as vital as it has ever been, that there is no desire on our part to withdraw or reduce our participation, and that we hope it will be possible to continue as "partners".

In Dr. Wick's letter to Miss Gladfelter he makes reference to the fact that he had understood until now that the Hospital Board and our Board were serving as partners in the hospital venture, but "that the Association's role now seems to be that of a subordinate and rather ineffectual arm of the Board

The Reverend Brian Cleworth

-2-

February 11, 1957

of National Missions." In Miss Gladfelter's reply, a copy of which is enclosed, she has pointed up the fact that in a real partnership there must be "give and take" between the partners, and that up to this point we have supported the decisions of the local Board even though we have not always been in complete agreement with them. Now, because an issue has arisen which has very important implications for us, we hope that the Hospital Board will reconsider its action.

No doubt a misunderstanding has arisen in the local community as a result of the large turnover in Board membership, as well as in the local population in Palmer. We hope, therefore, that you will be given an opportunity, as the Board's representative, at the meeting of the Valley Hospital Association on February 15 to review the history of this project leading up to the invitation to our Board to participate in the operation of the hospital. If the Hospital Association decides to refuse the donation from the Liquor Dealers' Association and asks to have the relationship of the two Boards spelled out more clearly, we will be glad to have you submit to our Board for consideration any suggestions made by them.

Miss Gladfelter has seen all of the correspondence and we have consulted with her frequently, so she is in full accord with what we have written. We are sorry to give you such a difficult assignment, but know that with your intimate understanding of the problem in Palmer you will handle the situation very well.

Very sincerely yours,

Lillian A. Windham
Assistant Secretary, Department
of Educational and Medical Work

The Reverend Brian Cleworth
c/o The Reverend Bertram Rutan
Box 235
Palmer, Alaska

LAW:md

ccs: Dr. Sharp
Dr. Morse
Mr. Rutan
Dr. Jackman ✓

Enclosure

*cc
Palmer (B.H.)*

February 13, 1957

The Rev. Bertram H. Rutan
Palmer, Alaska

Dear Bert:

Thank you for your letter of February 5th suggesting that I meet with your congregation for a discussion regarding the status and relationship of the church. in connection with the meeting of the Presbytery in Anchorage. I think this would be very helpful and would be willing to make myself available on Sunday afternoon the 24th for it. No information has come to me yet about the program of the presbytery or any requirement for me on Sunday morning, but I am willing also to preach to the congregation on that morning, if arrangements can be made through Ralph Weeks who is helping set up the docket for the meeting of the Presbytery.

Such a discussion with your congregation on Sunday afternoon, might indirectly help relationships between the Board and the hospital. Somewhere along the way it can be pointed out the inherent moral and economic position which the church must take in all of its relationships to churches and institutions with which it is associated.

Since this is not contemplated to result in congregational action, there is no need to call an official meeting of the congregation. Suppose you plan tentatively with the council for such a meeting of the congregation, and the time can be shifted if necessary within certain limits to be able to get advance notice to the people concerned. It will be a pleasure to have another visit with your people and with your family.

Sincerely,

J. Earl Jackman

JEJ:km
Dictated by JEJ; signed in his absence

cc B.H. Jackman

INTER-OFFICE CORRESPONDENCE

BOARD OF NATIONAL MISSIONS

FEB 14 1957

TO Dr. Morse
Dr. Sharp
Dr. Jackman ✓
FROM Miss Windham
RE: Valley Presbyterian Hospital—End-Year Report

DATE February 15, 1957

Attached is a copy of the END-YEAR REPORT for the Valley Presbyterian Hospital. Please note particularly the third paragraph on page five which refers to the problem presented to the Board.

L. A. N.

LAW:md
Att.

FLB 2 U 1957

February 17, 1957

Miss Lillian Windham
Department of Educational and Medical Work
156 Fifth Avenue
New York 10, N. Y.

Dear Miss Windham:

This is to report the meeting of the Valley Hospital Association Annual Meeting, held in Palmer February 15, 1957. Approximately 150 people were present for the meeting. Publicity for the meeting was quite complete, including a long article in the local newspaper by the president of the Board, Dr. Allan Mick that stated that the main issue to come before the meeting would be the question of the continuing relationship between the Valley Hospital Association and the Board of National Missions. (Articles enclosed.)

The discussion on the issue was brought up by Dr. Mick himself. His feeling was that the Board of National Missions was restricting the work of the hospital board in objecting to the fund raising activities of any group that wanted to contribute to the hospital. Also, that the Board of National Missions is attempting to force their beliefs on the Association. He mentioned the great work that the Board of National Missions has done in the past, the new hospital is here because of their concern. However, he felt that the Board of National Mission's usefulness ceased with the building of the new hospital. The annual subsidy of \$3000 from the BNM now simply covers the cost of insurance that the BNM insists must be carried on the hospital, which they would not carry if they were not forced to. Also, he objected to our withholding our subsidy payment last year until the insurance was paid for, thus making our account payable take precedence over all other accounts payable of the Hospital.

I spoke on the floor, giving the background of why we came into the picture back in 1950. The matter of a "partnership" the need for give and take, and that we (BNM) have given on every issue so far and this is the first time we have asked any question of a decision of the Board of Directors. We are not forcing our stand upon anyone, nor are we trying to set the morals of the entire community. We are simply asking that the Hospital Association consider the feelings of the BNM on this one decision and reconsider their previous action.

There was lively discussion pro and con. Many folks from other churches spoke up, giving typical WCTU speeches against alcohol and taverns, which, I'm sure, did not help the cause. The question of the Third Division Liquor Dealer's Raffle in the Anchorage area and their being turned down by the United Good Neighbors (Community Chest) drive of Anchorage was brought up. The Rev. Frank Walkup of First Presbyterian Church, Anchorage, was present. Mr. Walkup is a member of the United Good Neighbors Board of Directors and said that their organization had had long discussions concerning this raffle. It appears that the liquor dealers were selling tickets on this house trailer last fall, supposedly to benefit the Boy Scouts, the Girl Scouts, the Campfire Girls (which do not exist in Alaska) and one or two other groups. These groups had not even been approached

Miss Lillian Windham

February 17, 1957

Page 2.

by the liquor dealers for permission. These groups turned down the offer. Mr. Walkup said that the United Good Neighbors Board had to threaten legal action to stop the Liquor dealers from using the names of the charitable groups. It is generally felt in Anchorage that the Liquor Dealers Association is simply looking for a scapegoat to get them out of an embarrassing situation, having already sold some tickets on the house trailer, they now had to find a "charitable organization" to give their proceeds to. (I verified this in a talk with Mr. Robert Baker, Vice President of the First National Bank of Anchorage and president of the Board of the Matanuska Valley Bank in Palmer.)

The question was raised, "How do we know that what Rev. Cleworth is saying here tonight is the feeling of the BNM?" In reply, I read the action of the BNM in New York, on February 7, 8 as contained in Miss Windham's letter of February 11, 1957.

Finally the following motion was entertained. Moved that the previous action of the Board of Directors be approved regarding the acceptance on December 21 by the Board of the Liquor Dealers Association offer to pay to the Valley Hospital Association, as a gift or donation, the proceeds from sale of tickets about to be undertaken by the liquor dealers association as a charitable gesture, and it is hereby specified that if the beneficiary's name is used in any manner in connection with sale of such tickets, the same shall be Valley Hospital Association, Inc. And further, that the name of the Valley Hospital Association shall not be used in any manner in and advertising by newspapers, T.V. or radio in connection with the sale of intoxicating beverages."

The motion was seconded and voted upon with 125 "yes" votes and 120 "no" votes. The motion carried.

In the discussion previous to the motion it was brought up from the floor that some members of the association had had a lawyer, Mr. John Shaw of Palmer, who was present, look into the legality of the BNM appointing two members on the Board of the Valley Hospital Association. The Articles of Incorporation of the Valley Hospital Association, Inc. specifically state that the members of the Board of Directors shall be elected. Mr. Shaw said that according to the Corporate Laws of Alaska, all members of a Board of Directors of a Non-profit corporation must be elected members. This would disqualify the BNM from having any appointed representatives on the Board as at present. I feel this issue did not come up for action and vote because of the vote on the liquor dealers raffle. I will be glad to get other legal advice on this question if you so desire.

I feel that the vote of the hospital association was on the basic question of the continuing relationship with the BNM. It was pointed out that the offer of the liquor dealers has no stipulated amount, it may be \$1 or \$5000. Also, that this is only one gift, there is no indication it will be an annual amount. This was weighed over our Board's continuing subsidy, our help in securing personnel, and other gifts we give. Knowing this, they voted as they did. This, I think, shows their basic feeling towards the Presbyterian Church's part in the hospital operation.

I would recommend to the Department of Educational and Medical Work that we give notice to the Board of Directors of the Valley Hospital Association that we are cancelling our contract with them and withdraw from the operation of the hospital in one year according to the contract agreement. I would also suggest that all "Special Gifts" now on deposit for the Valley Hospital be immediately recalled.

I will be in Anchorage for Presbytery of Yukon meetings in March at the time of the Hospital Board meeting and plan to be present. If our Board sees fit to withdraw, I would deliver the notice in person at that meeting. There was some feeling expressed by one or two people that the action of the BNM relative to this whole liquor question should have been sent directly to the Board of Directors. I answered from the floor that the BNM has two representatives on the Board of Directors and that official communications are directed to the Board of Directors through the BNM representatives or by direct letter to the Board.

Miss Lillian Windham

February 17, 1957

Page 3

If we should withdraw from the Valley Hospital, I feel that our whole cause will be strengthened. Let the hospital go on its own for a year or two and see how they make out. Then if they succeed, that is all for the good. If not, they will come again asking for assistance. We will then be able to write a new contract that will embody safeguards for the many weaknesses we have seen in the present relationship.

Sincerely yours,

Brian E. Cleworth

cc Rev. Bertram Rutan
Dr. J. Earl Jackman

COPY



United Protestant Church

PALMER, ALASKA

February 20, 1957

"THE CHURCH OF A THOUSAND TREES"

Dr. J. Earl Jackman
Room 711
156 Fifth Avenue
New York, 10, N.Y.

Dear Dr. Jackman:

Thank you for your letter indicating that you could be with us for the Sunday morning service and afternoon meeting with the congregation on March 24th. I understand that the dates for Presbytery may be changed so I will stand by to adjust the time of your meeting with our people if necessary.

Your mention that such a discussion might indirectly help relationships between the Board and hospital has helped me to a decision I have wrestled with since the hospital meeting last Friday: whether I should try to communicate what I feel took place. This is not easy to do since it will not make me popular with some of the administrative personnel of the Board. At the same time I must put honesty above expediency, and I feel that you must know this before you come.

You have received a copy of Brian's letter reporting a vote of 125 to 120 to uphold the hospital board's acceptance of the liquor raffle donation, subject to a proviso limiting publicity and advertising. There is serious doubt that this will be acceptable to the liquor dealers. My concern is that this vote was not a true record of the feeling of association members toward the Board of National Missions but was rather a vote against the way in which we handled that meeting in particular and the hospital board in general. Unless the Board evaluates this factor before it now acts, we may do an actual injustice to the hospital, the local church, and our denomination.

Two factors lost us votes, aside from those who would have supported the liquor side anyway. One was the presence of several fundamentalistic-minded ministers and church members who, though well-meaning, spoke on the issues of liquor and gambling as though we were sitting in righteous judgment and moral superiority over them. This irritated some against us from the start.

The second factor disturbs me more: the fact that votes were turned against us in anger and frustration at the last minute because of our tactics in the meeting itself. It might be summarized by the unsolicited statement of our Ladies' Aid president, Mrs. De Vries: "I felt that I had been slapped in the face in that closing minute."

This and similar remarks were prompted by the feeling that we deliberately withheld vital information that had earlier been called for and used it at the last minute as a measure of vindictiveness, expediency or retaliation should the vote not go according to the desire of our Board. Why this occurred I do not know unless it was the strategy that either Brian or Miss Gladfelter's office felt best for the occasion.

When writing to Alaska please use Air Mail

I had earlier indicated to Brian, and during recess time to Frank Walkup, that we should openly state our official position and the action our Board would be forced into taking should the donation be accepted if we expected the members to accurately evaluate the issue and the consequences of voting either way.

On page 2 of his letter, Brian indicates that when he was asked: "How do we know that what Rev. Cleworth is saying is the feeling of the BNM?", he read the action of the Board as contained in Miss Windham's letter of Feb. 11. What is not included is the fact that such official word had been asked for by sincere people throughout the course of an hour's debate and had not been conveyed when asked for. It was read only after the call to vote on the question had been made and someone urgently repeated that we must have something official to know just what the BNM was trying to say. That the above question even had to be asked of Brian is of itself significant. I think that the word "infuriated" best describes the immediate reaction of many. A strong reaction came not only from board members who felt that they had been totally ignored on official information for their records and prior consideration and from people who felt that they were victims of a "cat-and-mouse" game. It must be remembered that they had less than a minute between the time this position was officially conveyed and the time of the actual vote. This was not time enough to consider the vote and its consequences.

Were this simply my interpretation I would not write. Had you been present, to hear even the reaction of our own church people, you would better understand what I am trying to communicate. Mrs. McKinley, Brian's alternate and Mrs. Brewer, choir director and vice-president of the hospital board, are both very disturbed. Marvin Slaughter, church steward and newly-elected to the board, felt that at least fifteen votes were then and there turned against us. I suspect that his own was included. A Roman Catholic came with five proxies intending to support us but changed her mind at this point. Vic Urban questioned our approach. I do not know if Frank Walkup sensed what had happened since at recess he felt that the initial response toward the church's side indicated a favorable vote. Yet, for some reason, that favorable response was turned.

As a result we are in a very curious position. People feel that we have questioned their ethics over gambling and drinking yet have as a church used questionable ethics in dealing with them. One supporter of our move toward Presbyterianism in the church said: "Well, we may be planning a meeting in March to discuss it but we had better not ask for any action for quite a while after this."

With feeling as it is, it may be that the decision to terminate the relationship is the best one. But to terminate and act in Christian concern and fairness, the Board must know that the decisive element in the vote was not against the church's participation in the hospital as such, but against the methods employed in dealing with the hospital of which this instance was the climax. I cannot help but feel some sympathy for the local reaction and some awareness that the U.P. church and our denomination have lost considerable ground.

I am writing this to you, with no copies elsewhere, in anticipation of your coming and because I feel that you will understand the spirit and concern with which I write. I have complete confidence that you will use this letter as it may be necessary or helpful or see fit to discard it if harmful. Should you feel that I write of this to Miss Gladfelter, I will be glad to do so although this will require further review and elaboration.

Sincerely,



Bertram H. Rutan

Board of National Missions
of the Presbyterian Church in the
United States of America

156 Fifth Avenue, New York 10, N.Y.

FEB 23 1957

February 21, 1957

My dear Mr. Cleworth:

Now that I am back in the office Miss Windham has given me your letter of February 17, and we all appreciate very much your prompt and full report about the meeting of the Valley Hospital Association on February 15.

Actually, the outcome was about what we expected though we are interested to see that the vote was 125 in favor of accepting the donation from the Liquor Dealers' Association and 120 against it. This is too close to be really satisfactory from the point of view of the community, and our guess is that the issue has not been really settled by a majority of five.

In terms of the action of the Executive Officers and the Board of National Missions, we will now serve notice that we are canceling the contract with the Association. You have suggested that you deliver the notice in person at the next meeting in March. We are wondering, however, whether if Dr. Mick writes us about the action of the Association we should transmit officially the Board's action in our reply which would mean that the notice of termination would go directly to him. Do you see any disadvantage in this?

You have also recommended that all Special Gifts now on deposit for the hospital be recalled. We will have to consult Miss Gillespie on this and, at the moment, we have a question about some of the gifts since we do not want to seem to take action which is retaliatory. Mr. Rutan will undoubtedly wish to limit his expenditures for the next few months, and I believe that the bulk of the funds available is set up for the Chaplain. However, we will check on this and talk with Miss Gillespie. Miss Penfield wishes to send out a statement to the women of the church as soon as possible, and we have promised to prepare one, but there is a question of timing about this. Do you feel that the statement should go out immediately before word of the Association's action gets out via the grapevine, or do you think it should be held until after the March meeting of the local Board at which our formal notice of termination is given?

We will send you a copy of the statement as soon as it is ready in case you wish to use it for the churches in Alaska.

Very sincerely yours,

The Reverend Brian Cleworth
Box 2539
Juneau, Alaska

Katharine E. Gladfelter
Secretary, Department of
Educational and Medical Work

RECEIVED

ccs: Mr. Rutan
Dr. Sharp
Dr. Jackson

February 21, 1957

Miss Lillian Windham
Department of Educational & Medical Work
156 Fifth Avenue
New York 10, N.Y.

Dear Miss Windham:

Brian and I had hoped to review the hospital association meeting but he had to leave with Frank Walkup immediately following the affair which lasted until after midnight.

Perhaps it is just as well that my report comes a few days later when I have been able to catch something of the reactions to the meeting and the vote on the upholding of the hospital board's acceptance of the liquor donation. The general feeling seems to be that there were enough votes cast against us in irritation by those who thought we were fully endorsing those who spoke from the WCTU morality point of view at the meeting, or because of other personality factors in the give-and-take of debate, so that the final vote did not accurately reflect the feeling of the people. A number strongly feel that if a number of votes were made on the basis of emotions or misunderstanding, they were not voting for or against the relationship or its consequences. They are concerned that the hospital may now be left without either Board support or the liquor donation since the strong proviso limiting advertising or publicity surrounding the raffle may not appeal to the liquor dealers.

My personal feeling is that if the situation through the years has created for the local church and our denomination the ill-will of even thirty to forty percent of the community, we keep losing more than we are gaining despite our contribution and good intentions. If we now terminate, however, I urge that it be done with all Christian dignity and justice to the hospital and our place in the community. We could well stress, and I think this should be in official correspondence to the hospital board for their records rather than by word-of-mouth, that the close vote indicated enough opposition to our participation to make us want to withdraw for the sake of community unity as well as for our reasons already stated. This would indicate that it was their action that forced us to so act, but avoid the implication that we are acting in retaliation or in righteous judgment. I would also recommend that I be allowed to have this position included in our local newspaper to prevent misinterpretation through the newspaper or by rumor.

To remain in relationship now by either assuming complete or stronger, partial responsibility would only perpetuate some of the strong feelings that now exist. By raising room rates, asking Territorial assistance, and/or city help (assessment,

if necessary), the hospital may be able to run on its own, at least for a while, perhaps longer. If not and we are again asked to help, there will not exist the present questioning of our request for a stronger voice and place of responsibility.

You may feel it advisable to obtain opinion from some who are loyal to both the Presbyterian Church and the hospital situation. The impressions of Mrs. McKinley, Brian's alternate, and Mrs. Brewer, of our church and vice-president of the hospital board, may be helpful, giving the reaction in a strictly community sense.

Sincerely yours,

Bertram H. Rutan

cc: Dr. J. Earl Jackman
Brian Cleworth

Dear Dr. Jackman: Because of continuing local concern over the hospital matter, I feel it important to share the above with both Mrs. Winham & Brian in addition to yesterday's letter to you to be used at your discretion & in conjunction with your coming visit with the congregation.

Sincerely, Bert

FEB 27 1957

Star Route
Palmer, Alaska
Feb. 22, 1957

Dr. J. Earl Jackman
Board of National Missions
156 5th Ave.
New York 10, N.Y.

Dear Dr. Jackman;

I am enclosing a copy of a letter referring to the annual meeting of the Valley Hospital Association. As you know, I am a member of the Hospital Board of Directors, elected a year ago. Since I am also a member of the United Protestant Church, I have been especially interested in maintaining good relations between the church and the hospital, as well as in promoting upright and honest operation of the hospital.

I think you may want to have all the information possible on this problem, since you are soon to visit us at the Church for a discussion on our change in government. I sincerely hope the Hospital trouble has prejudiced none of our people in the church against the Presbyterian denomination or the Mission Board. Certainly it should not, but we are all sadly aware of the way in which opinions can be swayed.

Should you feel it necessary to reveal to Brian any of the information on the Hospital situation which you have received aside from that which he himself has given you, I strongly urge that you use me as your source rather than Mr. Rutan. We discussed at some length the need for sending your opinions on the matter, and he insisted that it was his responsibility and that I should not be asked to assume it. I admire him for his stand, but if I can help to avoid difficulty between the two men, I certainly have much less to lose, although my friendship with Brian has meant a great deal to me. In allowing his action at the membership meeting to seem deceptive and vindictive, he made a sad mistake in judgment which defeated anything we could do to improve the relationships between the community and the Mission Board. These words, however, are my own, and certainly I cannot quote Bert--he has expressed no such opinion of Brian to me--only his distress at the choice Brian made in revealing the Mission Board's communication.

We are looking forward with a great deal of pleasure to your visit. It will be most interesting to find what the reaction of the church membership will be to the discussion on Presbyterian government for our church.

Most sincerely,

Marjorie Brewer
M. S. C. A. (Marjorie) Brewer

FEB 27 1957

Star Route
Palmer, Alaska
Feb. 24, 1957

Miss Gladfelter
Board of National Missions
156 5th Ave.
New York 10, N.Y.

Dear Miss Gladfelter;

I sincerely wish you had been able to attend the annual membership meeting of the Valley Hospital Association. I am sure that you will be receiving a report of that meeting from Brian, and would like to add my own thinking on the issues involved. Naturally, as a representative of the Mission Board, his opinions will be influenced by his obligation to that Board. Since I was elected by the general membership in 1956, I have tried to temper any bias in favor of the Presbyterian Church, of which I am a member, to the extent that I may represent the whole group who voted for me. It is on that basis that I am writing to you.

Unfortunately the discussion of whether or not to "accept the donation" of the liquor dealers became a debate on the moral issues involved. In my mind, it is impossible for a group representing a cross-section of any community to agree on such a subject. There were very strong opinions expressed on both sides, and it seemed from the first that the members present were fairly evenly divided. I doubt that anyone changed his opinion on the subject during the discussion.

At this point, I would like to interject my own thinking on this issue. The Valley Hospital Association requested the help of the Mission Board in providing adequate hospital facilities for the community. This help was given, first in the form of a \$3000 annual subsidy, then in addition \$232 thousand to form the nucleus of a building fund. In return for this, it seems to me, the community owes the Mission Board due respect for its views, and should not in any way involve the Mission Board in matters which may embarrass them. If the membership did not feel they could be bound by such restrictions, they should then attempt to find sponsorship which would not make demands (and where would they find such a sponsor?) It is on this basis that I feel the debate could have been conducted and resolved at the membership meeting, although I failed as much as anyone in getting the idea across.

Twice during the discussion an effort was made to discover whether or not the Mission Board had stated what their action would be if the money were accepted. At the preceding Hospital Board meeting, Mr. Mitan had indicated we might be forcing the Missions Board into taking a terminating action, (because of its responsibility to the Presbyterian stand on such matters) should we insist on accepting the "donation". However, none of us felt qualified to refer to this at the Hospital meeting until it first came from Brian. He was probably guided by a reluctance to call the Mission Board's stand an "ultimatum", which term had been used in questioning from the floor of the membership meeting. Finally at the end of a very long

and heated debate, still on the idea of liquor and raffles, someone asked if Brian had received any definite information from the Mission Board. He replied that he had, and quoted from your letter the paragraph reporting the action taken by your entire board upholding the decision by the executive group.

There was most unfavorable reaction to this, due in part to the feeling on the part of many that Brian should not have kept this to himself during the discussion. Also, Mrs. Pippel objected that she felt it unfair that the Hospital Board had not been officially advised of this action, and I am sure there were many who concurred with her. Someone immediately labelled this action an "ultimatum", although Brian did his best to point out that it would seem that the Hospital Board was presenting an ultimatum to the Mission Board. At this point, Mr. Wick made the most of the atmosphere of confusion and resentment and closed the debate with several people attempting to obtain the floor, and called for a ballot. The membership voted 120-120 to uphold the Board in accepting a "gift" from the liquor dealers, restricting the dealers, however, from using the name of the Hospital in the actual sale of liquor or other objectionable publicity. I feel that this vote is quite inconclusive, due to the fact that some probably voted in anger at Brian's action, and will reverse their stand upon due consideration.

Since the meeting, I have discussed the matter with a number of people, and find there are many who feel the Mission Board has been badly used. They also believe that the membership has made a bad choice in rejecting church sponsorship. We must still consider the possibility that the liquor dealers will be unwilling to conduct their raffle on the terms as set up at the meeting. In such case, the hospital will find itself with neither church nor raffle money.

In considering the next course of action, I hope the Mission Board will bear in mind that, aside from Mr. Wick, the rebellious faction on the Hospital Board is now serving its last year. It is impossible to be certain at this time what the attitudes of the six new members will be, but they seem to be a strong group of men whose principles are such that the policy of the Hospital may be battered, even with the strong feeling on the part of the two ladies (Pippel and Leasing). The two nominees whose names I am reasonably sure were supported by these ladies were sadly defeated this year. It is quite possible that they themselves will not be willing to run again in 1958, nor will be replaced by their friends. As for Dr. Wick, I doubt that he will attempt to "run" the Hospital Board. He has never before allowed himself to be involved so deeply in a controversial matter, and this is the first time he himself has taken a stand. If the majority of the Board were convinced on a matter, he would concur with them.

It was most unfortunate that the resentment and antagonism between Mrs. Pippel, Mr. Wick and Mr. Cleworth was apparent to the members at the meeting. Relations between the Mission Board representatives and the Hospital Board had improved during your visit, and since that time, and were, upon Mr. Ratan's arrival, strengthened by his ability to speak dispassionately on issues which had, quite understandably, become irritating to Mr. Cleworth.

Undoubtedly the Hospital Board will soon be discussing the renewal of its "mortgage" fire insurance. You are no doubt aware that Mrs. Pippel and Dr. Dick feel that since the premium almost equals the \$3000 subsidy, the Hospital is not obligated to insure the mortgage if Mission Board money is discontinued. I would like to suggest to the Hospital Board that they investigate the possibility of purchasing insurance from a reputable Mutual Company. My reasons are several--first of all, that would preclude the possibility of insurance being purchased from the Pippel Agency, highly distasteful to some of us; secondly, many of our local business firms buy mutual insurance; and with our restricted budget it would be more welcome to the Finance Committee, of which Mrs. Pippel is still to be chairman. To me, it seems Mutual Insurance would be better than none. I am, of course, assuming that the Mission Board will continue to hold the mortgage.

I would like to add at this point that I am sure that the Mission Board appointees have found it as difficult as I to know what best action to take on such matters without complete briefing from the Mission Board office--I agree that as Hospital people we have no real claim on the Mission Board, but in our attempts to protect Mission Board relationships, inadequate knowledge of a firm stand on the part of the Mission Board has proved a severe handicap. If we had only had something definite to offer the membership in the way of a more satisfactory relationship between Hospital and Mission Boards, this whole distressing situation might have been avoided.

As a Presbyterian, I must admit that I would like very much to see the Church disassociated entirely from this relationship--for some strange reason there has been much antagonism and resentment expressed by some of the community. But again, as a representative of the general membership of the Hospital Association, I am appalled at the idea of operating a community hospital without adequate sponsorship. I hope that I have in some small way contributed to your knowledge of the situation in which we are involved.

Most sincerely,

Mrs. C. A. (Marjorie) Brewer

6137 4 1957

March 1, 1957

Miss Katharine E. Gladfelter
Secretary, Department of Educational
and Medical Work
156 Fifth Avenue
New York 10, N. Y.

Dear Miss Gladfelter:

First of all, welcome back to the office. We trust that your operation was successful and that you are able to resume your heavy responsibilities without the handicap of visual discomfort.

Reference to your letter of February 21. I suggested that if the Board of National Missions sees fit to withdraw, that I deliver the notice in person. I went on to explain that there was some feeling expressed by some persons that the action of the Board of National Missions relative to the whole liquor question should have been sent directly to the Board of Directors. In writing to you I mentioned this simply that you would know of the problem. Any way you wish to notify the Hospital Board will be alright with me. I expect to be present, however, at the March meeting of the Hospital Board.

I raised the question regarding the Special Gifts, because a lady in the Women's Association of the First Presbyterian Church, Anchorage, said that they had given a gift very recently to the Valley Presbyterian Hospital and she felt that after the action of the Hospital Association that they would far rather have their gift go to some other Presbyterian cause. I have no desire for retaliatory actions on our part, but I do feel that we have an obligation to use these special gifts from church groups and individuals for and within the continuing program of our Presbyterian Church.

Your question regarding timing of notification is difficult. I do feel, however, that word of our withdrawal should come after the March meeting when our formal notice of termination is given. I would appreciate seeing a copy of the notification as soon as it is ready.

In Mr. Rutan's letter of February 21, he suggests you ask opinions from Mrs. Lee McKinley and Mrs. Cy Brewer. This would be very good.

Is there any possibility that you could attend the meeting? I am sure that if you were present that you would feel more of the local emotion on the question and it would be good for you to interpret the whole community feeling, especially, if at some future time we are again asked to participate in the Valley Hospital.

Sincerely yours,

CC Rev. Rutan, Dr. Jackman

For your information - sent to

Please mail in envelope supplied with voucher.

Ed + Fred Sept.

EXPENSE VOUCHER

(Do not use for salary, wages, rent or other salary allowance.)

MAR 4 1957

March 1. 1957

Date

To the **Board of National Missions**

This is to certify that there is due me for expenses incurred in my National Missions activities the following amounts for the month of February, 1957

(List separately. Itemize on reverse side.)

Budget Account

(Do not write
in this column)

Travel

Other

Total Expenses due..... 78.48

Brian H. Clewett
(Sign with ink)

Mail check to _____
(Person, if other than payee)

Box 2539

Street or R.F.D.

Juneau, Alaska

Post Office

Please do not write below this line.

Voucher rec'd _____
Date By

Appr. for payment _____
Date By

Dept. _____

If supplied envelope is not available, mail to
Field Service Office, Board of National Missions,
156 Fifth Avenue, New York 10, N. Y.

(See Other Side)

EXPENSES ITEMIZED

Travel

For expenses incurred in staying over
in Anchorage for the meeting of the
Valley Hospital Association from
February 13-16

Feb. 13	Call to Palmer	.99
	Wires (per statemnt)	3.60
	Meals	3.00
14	Meals	2.85
15	Meals	1.25
	Hotel (for 13,14,15)	18.50
	Long Distance to Miss Windham	48.20
		<hr/>
	Total	78.48

Other

Board of National Missions
of the Presbyterian Church in the
United States of America
156 Fifth Avenue, New York 10, N.Y.

FEB 27 1957

February 26, 1957

The Reverend Bertram H. Rutan
United Protestant Church
Palmer, Alaska

My dear Mr. Rutan:

Miss Windham has given me your letter of February 21 reporting on the meeting of the Valley Hospital Association just as I am about to leave for the Presbyterian Welfare meeting in Chicago.

A letter from Dr. Mick has also come which I am asking Mrs. Daniels, my secretary, to acknowledge in my absence so that we can secure time to consult you about the following comment in Dr. Mick's letter:

"....I expect that voting privileges formerly granted to the two so-called appointive members—Rev. Cleworth and Rev. Rutan—will now be withdrawn because of a legal point raised at the annual meeting in consequence of the debate on the major issue. This is, of course, in line with Rev. Cleworth's reasoning and would probably follow in any event. Mr. Rutan will probably explain all of this in more detail..."

Mr. Cleworth mentioned this development in his report, but you have not mentioned it in yours. We understood from Mr. Cleworth that the question of representation had not been formally presented, so do not understand Dr. Mick's comment.

From our point of view, if a one-sided attempt to void representation is made, it seems to us that the whole contract with the Association would be voided, not at the end of a period in which notice was given, but immediately. I would want to consult Mr. Tribus about this, but, in the meantime, will be glad to have your comment on it.

I will answer your letter early next week on my return and will then write Dr. Mick after we have heard from you.

Very sincerely yours,

KEG:md
Dictated by Miss Gladfelter
but signed in her absence

Katharine E. Gladfelter
Secretary, Department of
Educational and Medical Work

cc: Mr. Cleworth ✓
Dr. Jackman ✓

P.S. The newspaper which came today sheds some light on this.

22
Palmer Hospital Sdr.

Miss Gladfelter
Dr. Jackman

March 7, 1957

A letter from Bert Rutan in Palmer reveals the fact that there is some unhappiness in our church in Palmer over the outcome of the vote on the raffle. People feel it was not a true recognition of what the relationships ought to be and that there is deep regret and misunderstanding about it.

I had planned to be in Palmer later this month for a meeting of the Congregation to discuss their becoming a regular Presbyterian Church. This is to be a discussion only without a request for final action. The meeting is to be held to discuss relation to the church only but I feel certain, if I know the Palmer people, we will not get through the evening without some questions being asked about the hospital. I feel certain, too, that some of the misunderstandings that led to the negative vote can be removed. Therefore, would strongly recommend that no action be taken on breaking relations with the hospital until after the meeting with the congregation later this month. Let me talk with you about this on the 8th or 11th or 12th before I go to Alaska.

Sincerely yours,

J. Earl Jackman, Secretary
Dept. of Work in Alaska

JEW:EB

cc: The Rev. Brian Cleworth
Dictated by Dr. Jackman;
signed in his absence.

MAR 8 1957

March 4, 1957

Miss Katharine E. Gladfelter, Secretary
Department of Educational and Medical Work
156 Fifth Avenue
New York 10, N.Y.

Dear Miss Gladfelter:

I have received your letter relating Dr. Mick's comment on the matter of appointive members to the hospital board. It is good to know of your return to full health and I regret that the hospital problem had to come before you during your period of hospital and home confinement. We have all had strep throats here of varying degrees of severity for the past two weeks so I have not been able to keep as close to the hospital situation as I have wanted to.

I must confess my surprise to read your quotation from Dr. Mick's letter since I was not aware of this negative attitude on his part. Mr. Cleworth's report that the question had been raised, without action, and his offer to secure legal advice if you so desired seemed all that could be said following the association meeting. I looked forward to a positive effort on the part of the board to make the arrangement satisfactory and felt that the meeting of the policy committee, which Dr. Mick has called for this Saturday, was for this purpose.

Yesterday I talked to John Shaw, local attorney and board advisor. He indicated that he has not thought through the problem but cannot offhand see how to resolve the conflict between the Territorial Laws and Articles of Incorporation which call for electing all members and the By-Laws which allow for the appointed members. He is not sure if the Articles could be amended to allow this dual arrangement. Amendment is a lengthy process which would again involve a vote of the membership.

I feel that Dr. Mick's negative attitude and his statement that the expected immediate withdrawal of our voting power "is, of course, in line with Rev. Cleworth's reasoning and would probably follow in any event" comes, not from anything that Brian said but from the assumption that if we withdraw it would be immediately. Others also assume that our recent emphasis against any tie-in with the liquor dealers or the publicity over the raffle means we would seek to withdraw immediately, since we have not officially discussed, as yet, the details of withdrawal. Neither the hospital membership nor the new board members are familiar with the contract provisions although Dr. Mick should be.

Actually, we are faced with both a legal handicap that our voting powers may not be valid, and a psychological handicap that even if we can legally vote should the articles be amended, the lengthy process in amending the articles may not seem worthwhile locally with a year or less to go on our participation. We would be considered "lame ducks". I am enclosing a copy of Dr. Mick's suggested new

Hospital board standing committees wherein it is stated that "Appointive members are listed pending clarification of their status". You will note that Brian and I are not listed in places of importance to the everyday operation of the hospital, with both of us on the Policy Committee which meets quarterly and which already has an adequate membership without us, and I also on Public Relations, a new committee with limited responsibility. Whether we interpret this as an effort to minimize our voice regardless or as the arrangement necessary to insure the most efficient operation of the hospital and board may require a coin to be tossed. I'm willing to give the benefit of the doubt and hope that I won't have reason to grow pessimistic and cynical with the passing of time!

I have called Mrs. Deming, board secretary, to ask about the liquor dealers' reaction to the proviso limiting their publicity on the raffle. She has not yet heard from them. In the course of conversation she mentioned that she had not yet put the minutes in final form nor sent a copy to you. I was disturbed to hear this and urged that she complete the record of the association meeting immediately and forward a copy to you, which she has promised to do. I am holding up any further use of the Chaplain's fund, as suggested in your letter.

I would endorse the statements in Mr. Cleworth's letter of March 1 on the use of Special Gifts and publicity on withdrawal coming after our formal notification to the hospital board, and on the possibility of your presence at the March 15 board meeting. It has sometimes been difficult for us to communicate in words the emotional undertones that are often more important than an actual vote. The board members have also a great deal of respect for you and your presence would greatly alleviate any criticism that we have not done our utmost, as a church, to understand and work out the situation and relationship.

A copy of the By-Laws and Articles of Incorporation are enclosed should they be of help to Mr. Tribus.

Sincerely,

Bertram H. Rutan

cc: Brian Cleworth
Dr. J. Earl Jackman

Valley Presbyterian Hospital

Board of National Missions
of the Presbyterian Church in the
United States of America

156 Fifth Avenue, New York 10, N. Y.

MAR 8 1957

March 8, 1957

VIA REGISTERED AIRMAIL

Dr. Allan H. Wick
Valley Presbyterian Hospital
Palmer, Alaska

My dear Dr. Wick:

I have seen your letter of February 17 which was acknowledged in my absence and appreciate the reports which you, Mr. Cleworth and Mr. Rutan have sent relative to the annual meeting of the Valley Hospital Association and the decision of the Association to accept the contribution from the Liquor Dealers Association secured through a raffle.

As you know, our Board has voted that in view of the position of the Presbyterian Church as reflected in the liquor industry, a relationship could not be continued with a project which accepted contributions from these sources. I am therefore, in the name of our Board, writing to give notice of the termination of our contract with the Valley Hospital Association. As required by the contract, this is a year's notice with termination as of March 15, 1958, a year from the date of the next meeting of the local board.

I think there is nothing further which need be said at this time as the position of our Board was presented in my letter of February 8 replying to yours of January 20. In it the issues were set forth so that any final decision would be taken with all facts in hand.

Very sincerely yours,

Katharine E. Gladfelter
Secretary, Department of
Educational and Medical Work

MEM:tc

cc: Mr. Rutan
Mr. Cleworth
Mr. Sharp
Mr. Jackson
Mr. Trilus

Palmer Hospital

Board of National Missions
of the Presbyterian Church in the
United States of America

156 Fifth Avenue, New York 10, N. Y.

MAR 11 1957

March 8, 1957

My dear Mrs. Brewer:

We cannot tell you how much we appreciate your letter of February 24 sharing your comments about recent developments in the relationship between our Board and the Valley Hospital Association. I remember very well our talk at Mrs. McKinley's last May with the clear cut questions you asked, so am not surprised by your fair and helpful evaluation of the situation.

It was very difficult to know what was best to do when we received word of the initial decision of the local Board to accept the gift from the Liquor Dealers' Association. The Executive Officers and our Board felt that a basic issue was involved and took action accordingly. This was communicated to our two representatives on the local Board rather than to the Board itself because our contacts are normally through them and because a direct communication coupled with the request to reconsider would have seemed too much like an ultimatum.

We are puzzled by Dr. Mick's part in the local decision. He knew from the discussion in the local Board of our Board's feeling and I also wrote him at some length on February 8 in reply to a letter from him of January 20. Since we attempted to clarify the basic issues in this letter you may be interested in the following excerpts:

"May I say, first of all, in commenting on your letter that we do understand the heavy burden the Hospital Board has been carrying with respect to finances. The amounts owed locally naturally concern you deeply and the desire to accept a gift which would help meet some of these obligations is understandable.

It is the source of the gift which made it necessary for us to raise a question. The Board of National Missions is an agency of the Presbyterian Church U.S.A., and the church has repeatedly taken a stand against liquor and any form of gambling. Contributions to the hospital, whether in the shape of the annual subsidy, special gifts, or sewing supplies come from church members who support that stand and who would not wish their gifts transmitted to any institution which accepted aid secured through a raffle and the Liquor Dealers' Association. We have an obligation to our supporters and to the Presbyterian Church as a whole, as we are sure you will understand, and our question was raised, therefore, not as a warning of retaliation, as you suggested in your letter, but in an attempt to make the basic issue clear to the local Board so that any final decision would be taken with all facts in hand."

"With respect to your second point, recognition of the Association as a full partner in the venture, is not this the basis on which we have been operating? Actually, the local Board has been the senior partner as our Board has had minority representation and until now has not raised officially any question about a decision of the local Board. You mentioned in connection with this second point the need of a recognition by the National Board that some decisions by this larger group will inevitably be at variance with their church policy. This has been the case on several administrative matters, but we have accepted the majority opinion without raising any questions. The important thing is, I think, that the two-way nature of the partnership be recognized. This means, to be specific, that the local Board might refrain from taking a decision known to be at variance with basic church policy, or that if taken it would be with the realization that the partner might have to re-examine the relationship."

I cannot recall whether during our May meeting I spoke of the discussions in 1955 about a possible revision of our contract with the Association; at that time, on the recommendation of Dr. Armstrong, Mr. Cleworth's predecessor, we were prepared to consider increasing our annual subsidy and to request additional representation. The question of the subsidy was brought before the local Board by Dr. Armstrong and tabled, because at that time there was more local interest and Dr. Armstrong and Mr. Cleworth hoped that the community could swing the hospital financially. Our Board approved the draft of the revised contract in December 1955, subject to approval by the local Board, but our representatives did not present it as the situation seemed to have stabilized and they thought it better not to raise a question at that time.

When the recent issue arose, we wondered whether anything should be said about a possible revision in the contract. Again it seemed preferable not to, as we felt that because of the differences of local opinion the "climate" was not favorable and that action by our Board would be considered as pressure. I hope that this will explain why we did not attempt to make any proposals, to the Association, in the way of a more satisfactory relationship.

If the vote in the Association does not faithfully represent the views of the community, we believe that our Board would be glad to be advised of this officially. In such a case a reconsideration of the original working agreement would then be in order.

Thank you for your suggestion about the insurance and for your letter as a whole as it is most helpful.

Very sincerely yours,

Katharine E. Gladfelter
Secretary, Department of
Educational and Medical Work

Mrs. C.A. Brewer
Star Route
Palmer, Alaska

KEG:tc/cc:Dr. Jackman ✓

*all
Palmer Hospital file*

March 12, 1957

Mrs. C. A. Brewer
Star Route
Palmer, Alaska

Dear Mrs. Brewer:

Thank you for writing so frankly about the situation of relationships with the hospital in Palmer. All of us deeply regret the situation as it stands today and hope that there may come through it more understanding and a better spirit. If there have been misunderstandings, and it seems there have been, we trust that everyone concerned will be patient enough to consider any further light and information. As you have recognized in your letter it is the purpose of my visit to Palmer on the night of the 18th of March to talk informally about the relationships between the church, the Presbytery and the Board of National Missions. The question of hospital relationships are not in my department but we do have a mutual concern with them as they are related to the total program of the Board and the church in the territory. It is possible that a good discussion in mutual confidence on the problems relating to the church may also shed light upon the relationships with the hospital. At least we should approach these in the spirit of asking God's guidance to do that which is best for the church and the community. I am looking forward to this visit.

Sincerely yours,

J. Earl Jackman, Secretary
Dept. of Work in Alaska

JWJ:EP

Dr. Jackman

Board of National Missions
of the Presbyterian Church in the
United States of America
156 Fifth Avenue, New York 10, N.Y.

MAR 1 9 1957

The Reverend Bertram Rutan March 11, 1957
Box 235
Palmer, Alaska

My dear Mr. Rutan:

Your letter of March 4 crossed in the mail ours of March 8 continuing the correspondence about the Valley Presbyterian Hospital.

As you will discover, we talked with Mr. Tribus about the legal question raised in connection with our appointive members on the local Board and he is checking for us. We are glad to have the copies of the Articles of Incorporation and the By-Laws which you enclosed and to note that Mr. Shaw, the local attorney and Board advisor, is at a loss as to how to resolve the differences between the Territorial Laws and Articles of Incorporation and the By-Laws since the latter do provide for appointive members and we have been operating on that basis for over five years. I do feel that it would be very unfortunate if any issue is made of our membership while we are still related to the hospital.

We are assuming that you have a copy of the contract, and in any case, it would seem wise to read it at the next meeting of the Board. With so many new members, it might be wise to review it so that the group will understand the terms of the working agreement which we are now terminating on a year's written notice.

You have seen the copy of Dr. Jackman's memo to us relative to delaying the sending of the notice of termination. I talked with him over the phone about this last Friday and discovered that he did not know that a meeting of the local Board will be held this coming Friday. On discovering this, he agreed that the notice should be sent and that it might help to clear the atmosphere somewhat if the notice is received before his arrival in Palmer. At least the local Board will know of the Board's action, whereas if the notice were not sent, Dr. Jackman would be in the position of having to refer to it verbally which could be awkward and raise questions as to why the notice had not gone forward immediately.

We will delay sending out any general notice about our withdrawal until after Dr. Jackman's visit. This seems wise just in case there should be some shift in public opinion with a desire locally to reconsider.

I am sorry that it is not possible for me to be present at the March 15 meeting. I have had an engagement here for some weeks and further, must be in Chicago on the eighteenth for the meeting of the Executive Committee of the National Staff. As I know you will understand, my schedule is pretty crowded now for the spring because of the fact that I was out of the office for a couple of months.

Very sincerely yours,

Katharine E. Gladfelter

Secretary, Department of
Educational and Medical Work

KES:tc
cc: Dr. Jackman, Mr. Glenworth

MAR 13 1957

March 11, 1957

Miss Katharine Gladfelter
Room 631
156 Fifth Avenue
New York 10, N.Y.

Dear Miss Gladfelter:

The hospital Policy Committee met this weekend, as Dr. Mick had requested, to work out a recommendation on the legality of voting privileges for the Board of National Missions appointed board members. Members of the committee, in addition to Mrs. McKinley and myself, were Mrs. Brewer, Mrs. Deming, Ralph Koslosky (new board member and local merchant who also served for two months last year) and Jim Hamlin, chairman of the committee. Mr. Hamlin is a new board member and engineer of the Eklutna power project, fifteen miles from Palmer. I believe he is Episcopalian although his children attend our church.

There was a unanimous expression of opinion, including Mr. Shaw's, that the Board of National Missions had the moral right to its two voting members and that the committee find a way to make this a legal right also. Mr. Shaw confirmed his earlier opinion that all members must be elected according to Territorial Law and that the action of appointing two members was actually illegal. (Mrs. McKinley told me that her family lawyer in Anchorage had verified this finding also.)

After consulting the Articles of Incorporation and the By-Laws, the committee considered the provision in the By-Laws which allows the hospital board to fill any vacancies existing on the board. With appointed members in conflict with law, and having elected only enough directors to fill nine of the allowable eleven board positions, the committee recommended that the board elect the two representatives of the Board of National Missions to the two vacancies in accordance with their authority to do so. It was also recommended that during the balance of this year some more positive way be found and included in the by-laws for the inclusion of our representatives. Mr. Shaw suggested that our legal staff might have some advice or suggestions to this end.

It seems certain that the hospital board will agree to these recommendations since, even excluding Mrs. McKingley and myself, it would require the vote of just one other member in addition to the four policy committee members to pass them. Either Mr. Slaughter or Mr. Bacon of our church would so vote, probably both.

One other problem developed from this discussion although the question had been raised by several board and association members earlier. Mr. Shaw stated that having an alternate with voting power for a board member is also without place or precedent in law and pointed out that other board members who may be away for many months or meetings are not allowed alternates. To avoid conflict with law, the committee felt

either Mr. Cleworth or Mrs. McKinley must serve. Since Mr. Cleworth can normally attend but three or four meetings yearly and would not be available for special meetings or as a working member on committees, the committee recommended that Mrs. McKinley be the second representative of the Board of National Missions and that Mr. Cleworth attend in an advisory capacity whenever possible. This would allow Mrs. McKinley to act and vote in accordance with instructions from Mr. Cleworth but give us a valid and monthly second vote. I pointed out that you would want to be informed of these recommendations and might have suggestions concerning them, especially since Mr. Cleworth has been our first representative on the board. The committee recognized this but felt that it must make specific recommendations as the first item of business on Friday evening to enable us to have two permanent votes for that meeting. Since Mr. Cleworth will be present for the meeting, he may see reasons why he should retain the vote rather than Mrs. McKinley despite the above committee considerations, and recommend action to the board accordingly.

I am forwarding this letter by special delivery should you want to communicate any instructions in reply for the Friday evening meeting.

Sincerely,

Bertram H. Rutan

cc: Rev. Brian Cleworth
Dr. J. Earl Jackman

INTER-OFFICE CORRESPONDENCE
✓
BOARD OF NATIONAL MISSIONS

MAR 7 5 1957

TO Miss Gladfelter and Dr. Jackman
FROM Miss Penfield
RE: *Palmer Hospital*

DATE March 13, 1957

You can see from Betty Lauderma's letter and from my answer to her that I feel that since this letter has inference for both of you that you should answer her questions that deal with administration. I have tried to answer the tone of her letter. If I have failed, let me know and I shall be glad to try to follow through again.

ERP/dc
Att.

Elsie R. Penfield



BOARD OF NATIONAL MISSIONS

OF THE PRESBYTERIAN CHURCH IN THE UNITED STATES OF AMERICA

156 FIFTH AVENUE, NEW YORK 10, N.Y.

ALGONQUIN 5-5000

March 13, 1957

Mrs. Ray Lauderman
257 Fountain Avenue
Dayton 5, Ohio

Dear Betty:

Your letter of March 6th addressed to me carries so many problems that are related to administrative departments of the Board of National Missions that it will be necessary for me to refer this letter on to two particular departments and their executives who, I am sure, will both answer your questions directly. For your questions related to the Palmer Hospital, I am referring your letter to Miss Katharine Gladfelter, our executive for the Department of Educational and Medical Work, and for the balance of your letter which has to do with the church in Alaska, I am referring it to Dr. Earl Jackman, our Secretary for Work in Alaska.

I think you have perhaps placed your finger on the situation when you speak of the fact that some people believe in a technique of shock in order to awaken people to the needs of the Church. It is a kind of thing that I certainly do not believe in using, and we have never tried to exaggerate situations in order to get the love and commitment of Presbyterian women. It may be that this very technique is the thing that brings the reaction into your group - I don't know.

However, I think that both of us are aware that there are two great things that stand in the way of the Church's doing as good a job as it needs to do in any of these areas of the United States and around the world; one of these is the lack of money and of course, as you know, we are always in need of more money everywhere than we have to spend; and the second of these involves people. You and I realize that even people committed to the Church are people and are personalities and have their own unique problems, just as all people do in any areas of life. But we are dependent upon people and all kinds of people and, believe me, Betty, we are accomplishing a great deal through the missionary enterprise of our Church in spite of all of us.

Don't think for a minute that I am minimizing the problems that we all have. Always when we learn all of the internal workings of any kind of board or institution, we find that there are problems. We could go anywhere in this world or anywhere in this nation and find problems where people are at work and where funds are not sufficient. I thank God each day that Presbyterian women are so dedicated to the Church, that they will

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pray constantly and work constantly for God's help in guiding us to overcome the weaknesses that rest in all of us.

Bless you for your interest.

Cordially yours,

Elsie R. Penfield
Secretary
Department of Women's Work

ERP/dc

cc: Miss Gladfelter
Dr. Jackman

Black
Superior Manifold
MADE IN U.S.A.

SYNOD OF OHIO
March 6, 1957

Miss Elsie Penfield:
Sec. of Women's Work, National Missions

Dear Miss Penfield;

At the January meeting of Dayton Presbyterial, our speaker was the Rev. John Lampe, of the First Presbyterian Church of Hamilton, O. He had been on a preaching mission to Alaska in October of last year. His view, of the work the Presbyterian Church is doing in Alaska, was very dim; and he stated that he had discussed his findings with Dr. Jackman, and that he had agreed with him, saying that we are doing the best job we can with the money and workers available to us.

Rev. Lampe stated that the U.S. government had contributed to the building fund of Palmer Hospital, and that therefore, it could not be operated by our church. That the hospital is gaining a bad reputation in the valley, and our name along with it. That the hospital is in debt, and cannot find a staff physician, or nurses to staff it. That we cannot afford to operate our radio station entirely, and that the very influences we are combatting are using the station for advertizing and programs. That our missionary at Barrow, is an heroic man, very talented, pursuing an impossible task, and that we could not find anyone to replace him when he will go on furlough, and that he doubts that he will return. He stated that his (Lampe's), visits to the homes of Eskimos were immediately cancelled by the visit of a member of a faith-healing sect. That our pre-fab church is a failure, due to the placing of the wrong man there. I could go on ad infinitum.

We know that much can be done to stimulate interest by a negative attitude (I understand that in the Presbytery, Lampe has stimulated the Nat. Mis. Com. greatly by this technique). Perhaps, we women do not appreciate this. He seemed to offer us no hope, for our work there. I see by the last Outreach, that other people feel some of this same hopelessness, too. Are we at fault, who give pennies instead of dollars, or is the Board, or are the administrators?

Our next Presbyterial meeting is April 1st, and our Area Secretary will be Mary Turrentine. If there is any answer we can give at that time, I would appreciate knowing it.

Surely we cannot overlook the power of the Holy Spirit working thru men and women here and in Alaska, and given time, the picture need not be so dark.....or am I whistling in the dark?

Sincerely yours,

Mrs. Ray Lauderman, President
257 Fountain Ave.,
Dayton 5, Ohio

MAR 14 1957

January 20, 1957

Miss Katherine Gladfelter
Presbyterian Board of National Missions
156 Fifth Avenue
New York 10, New York

Dear Miss Gladfelter:

About two years ago Reverend Cleworth persuaded me to accept an interim appointment to the Board of Directors of the Valley Hospital Association. Convinced that I might be able to serve the community, I accepted this responsibility and have now nearly completed a term which expires at the annual membership meeting on February 15.

My service on the Board has imparted an intimate knowledge of the hospital and its relationship to the community. At the same time it has led me to an evaluation of the hospital's organization, the role and function of the Board of National Missions and of the Valley Hospital Association, and of the attitudes of various groups, factions, families and individuals who reside in the Matanuska Valley.

On the whole my evaluation has led to a sense of personal satisfaction. The hospital has continued to grow. It is functioning rather smoothly despite the absence of an administrator. Economy measures supplemented by revised service contracts and by a firm system of collections have largely halted deficit accumulations. Morale has improved. There are indeed many bright facets, of which the brightest is that more and more people are using the hospital.

But these satisfactions are overshadowed by the fact that my work seems not to have enhanced the prestige and stature of the Board of National Missions. In seeking the cause of this paradox, I conclude that it must be attributed to my misunderstanding the basic philosophy of the Board of National Missions. Although disturbed from time to time by rumors and unsubstantiated reports, I had brushed aside the thought that the relationship itself between the Board of National Missions and the Valley Hospital Association might provide a breeding ground for misunderstandings. I now have personal knowledge of a situation in the form of a recent request from Reverend Cleworth, relayed to the Board by Reverend Rutan. A sense of responsibility forces me to define and describe what seems to me a basic flaw, in the hope that both a more realistic and a more satisfactory organization may ultimately evolve.

Without arguing the merits of the ostensible issue recently raised by Reverend Cleworth, I submit that any request by the Board of National Missions asking the Valley Hospital Board to reconsider a decision violates

(Mick to Gladfelter, January 20, 1957)

my understanding of the true relationship I had supposed to exist between these organizations. That my understanding developed under Reverend Cleworth's tutoring only sharpens my present disillusionment. From my changed viewpoint, it seems there is not a sufficiently firm foundation to support truly joint action in which the wishes of the Valley population as a whole can find expression. Rather than functioning as a real partner in the Valley Hospital venture, The Association's role now seems to be that of a subordinate and rather ineffectual arm of the Board of National Missions.

In this light it seems to me that the Board of National Missions is placing too great a burden on the shoulders of a few sincere but inexperienced and misguided volunteers. These people have been laboring under the impression that they were serving the community when in fact it now seems their efforts should have been plainly labelled as contributing primarily to the aims of the Board of Missions.

It may be that my personal bias has developed because I have overly concerned myself with the hospital's financial condition. I have a great feeling of personal responsibility for the some \$25,000 which the hospital has accrued in accounts payable. In retrospect, this feeling developed because of the time and effort I had to give to stave off our creditors. I was compelled to find and develop means of obtaining greater local support. It was in pursuing this objective that I encountered the rumors and stories mentioned above.

In answering those who were reluctant to contribute, my rationalizations were based on the philosophy that the physical facilities having been made possible through the assistance of the Board of National Missions, it was the responsibility of the total community to assure its continued operation.

I now find myself in the untenable position of being forced to discriminate against a local organization which, in response to my pleas, has offered assistance -- the Third Division Alaska Liquor Dealer's Association. In my mind it is ironical that this discrimination arises in a church-sponsored organization. As I mentioned in a previous letter, Reverend Rutan very skillfully and conscientiously represented the church interest. He could not, however, deal with the problem of church intervention that followed.

Dr Burnett was commissioned to investigate the Liquor Dealer's offer prior to debating the decision. It was not a hasty or poorly considered decision. I believe it was a sound decision for our Hospital Board and that the voting rather accurately reflected the opinion of the Valley Hospital Association.

An arbitrary reversal of this decision forced by a warning of retaliation, the significance of which is beyond my comprehension, is deeply repugnant to me. I cannot in good conscience accept the intolerance implied by this course of action. If this course is pursued I cannot sincerely attempt to urge further efforts by the community at large aimed at alleviating the financial embarrassment of the hospital.

MAR 14 1957

(Mick to Gladfelter, January 20, 1957)

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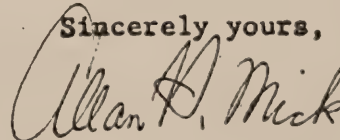
A satisfactory resolution of this situation seems to lie in one of perhaps three major choices: (1) The Board of National Missions and the local church might assume full responsibility for the hospital's operation, drawing volunteers from this smaller but more fully indoctrinated group, or (2) the present Valley Hospital Association might be recognized as a full partner in this venture, with recognition by the Board of National Missions that some decisions by this larger group will inevitably be at variance with their church policy, or (3) the Board of Missions can withdraw completely, leaving full responsibility with the Valley Hospital Association.

|| This third course is presumably now being considered by your organization. If this be true, then I must point out that the \$3,000 subsidy received from the Board of National Missions has been used during this past year to protect the Missions' mortgaged interest in the building. You will recall that this course of action was forcibly called to our attention by your business office somewhat over a year ago. Since the Valley Hospital Association has no more resources now than then, the withdrawal of this subsidy will in effect only remove the mortgage protection insisted upon by your business office. The logic in this proposed action entirely escapes me.

In closing I wish to emphasize again that the resolution of the ostensible issue at hand as demanded by the Board of National Missions will not reflect credit upon the local church nor the national organization. That this issue is not a real one to many people, including myself, only makes the incident more regrettable. In the closing weeks of this particular Board's service a rift that I thought was nearly closed has again opened. An additional overwhelming workload has been placed on me at an already extremely busy time. Our annual meeting has been furnished a ready-made, extremely frustrating issue that I am entirely inadequate to handle. A public relations program painstakingly built up will require extensive repairs.

Although fully expecting to offer my name as a candidate for a Board position I am now reluctant to serve. This is because I can no longer represent the intent of the Valley as a whole. Rather, I would find myself volunteering my services to the Board of National Missions which despite many excellent features and despite its fine contribution to the Matanuska Valley, requires submission to a code in which I cannot believe.

Sincerely yours,



ALLAN H. MICK

*Note - I asked Reverend Putan to review this statement and discovered that
¶ 2 on page 2 is not clear. Here I refer to the elected members of the hospital
Board - especially those who do not belong to the local U.P. Church.*

MAR 14 1957

February 8, 1957

Dr. Allan H. Mick
Valley Presbyterian Hospital
Palmer, Alaska

My dear Dr. Mick:

Your letter of January 20 has been shared with me as Miss Wincham indicated when she acknowledged it, and I greatly regret that I cannot attend the meeting on February 15 as you suggested. Under normal conditions I could be there, but I am still recuperating from an eye operation early in January and my surgeon has not yet permitted me to return to the office or resume field work, in short I am "grounded".

This being the case, I do want you to know that we all appreciate the frankness with which you wrote. I felt when I was in Palmer last May that you were an excellent Chairman, and when I discovered that you were filling out another member's term expressed the hope that you would stand the regular election so that your service could be continued. I realize that you have given much time and energy, that your contribution has been a very valuable one, and I hope most earnestly that it will not be lost to the Board.

May I say, first of all, in commenting on your letter that we do understand the heavy burden the Hospital Board has been carrying with respect to finances. The amounts owed locally naturally concern you deeply and the desire to accept a gift which would help meet some of these obligations is understandable.

It is the source of the gift which made it necessary for us to raise a question. The Board of National Missions is an agency of the Presbyterian Church U. S. A., and the church has repeatedly taken a stand against liquor and any form of gambling. Contributions to the hospital, whether in the shape of the annual subsidy, special gifts, or sewing supplies come from church members who support that stand and who would not wish their gifts transmitted to any institution which accepted aid secured through a raffle and the Liquor Dealers' Association. We have an obligation to our supporters and to the Presbyterian Church as a whole, as we are sure you will understand, and our question was raised, therefore, not as a warning of retaliation, as you suggested in your letter, but in an attempt to make the basic issue clear to the local Board so that any final decision would be taken with all facts in hand.

Dr. Allan H. Mick

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February 8, 1957

With respect to the three major choices outlined in your letter, your first point, assumption by the Board of National Missions and the local church of full responsibility for the hospital, was suggested by the Hospital Board during my initial visit to Palmer as one of several possible ways of relating our Board to the hospital. I expressed the judgment at the time that there were great values in the Association and the local Board, and that I felt these would be lost if our Board assumed full responsibility. It was recognized then and later when the contract was worked out that a cooperative relationship in which we made a sizable capital contribution and a modest annual one, but had a minority voice, would be a new and experimental setup, but our Board was willing to accept this to preserve the values in the community organization. These values have continued to be highly important and I am sure that we both would hesitate to consider any step which might lessen the initiative and sense of responsibility of the local group.

With respect to your second point, recognition of the Association as a full partner in the venture, is not this the basis on which we have been operating? Actually, the local Board has been the senior partner as our Board has had minority representation and until now has not raised officially any question about a decision of the local Board. You mentioned in connection with this second point the need of a recognition by the National Board that some decisions by this larger group will inevitably be at variance with their church policy. This has been the case on several administrative matters, but we have accepted the majority opinion without raising any questions. The important thing is, I think, that the two-way nature of the partnership be recognized. This means, to be specific, that the local Board might refrain from taking a decision known to be at variance with basic church policy, or that if taken it would be with the realization that the partner might have to reexamine the existing relationship.

This brings me to the third point, possible withdrawal by our Board. We entered into the arrangement originally on the invitation of the local group with provision for withdrawal by either party on due notice. Actually what the future holds depends now both on the final decision of the local Board with respect to the gift from the Liquor Dealers' Association, and also on the feeling of the Board about a continued relationship on the present or a revised basis.

You refer near the close of your letter to the fact that the \$3,000 subsidy from our Board is being used to protect our mortgage on the instructions of the business office. This has made me wonder whether you have ever seen the mortgage agreement, a copy of which must be on file in Palmer, and know of its provision for the insurance which must be carried regardless of any operating relationship by our Board. To quote:

"That the mortgagor will keep the building on the premises insured against loss by fire for the benefit of the mortgagee, in such manner and in such insurance companies as the said mortgagee shall approve."

MAR 14 1957

Dr. Allan H. Mick

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February 8, 1957

This letter has been written out at home and sent to the office to be typed and forwarded to you. It is my personal answer to your letter and one I wanted you to have before February 15. I do regret that we could not have discussed these matters, and please do be assured that I have the greatest respect for the service you have given the hospital and for your concern that the best possible solution be found to an admittedly difficult problem.

Very sincerely yours,

Katharine E. Gladfelter
Secretary, Department of
Educational and Medical Work

KEG:md

Dictated by Miss Gladfelter
but signed in her absence

cc: Mr. Rutan
Mr. Cleworth

MAR 14 1957

THIS AGREEMENT made this *5th* day of *October*, 1952 between the BOARD OF NATIONAL MISSIONS OF THE PRESBYTERIAN CHURCH IN THE UNITED STATES OF AMERICA, a non-profit corporation organized and existing under and by virtue of the laws of the State of New York, with an office and principal place of business at 156 Fifth Avenue, City, County and State of New York, hereinafter known as The Board, and the VALLEY HOSPITAL ASSOCIATION, INC., a corporation organized and existing under and by virtue of the laws of the Territory of Alaska, hereinafter known as The Association, WITNESSETH:

WHEREAS The Board in June, 1950 accepted an invitation from the Valley Hospital Association to cooperate in the operation of the Valley Hospital, and

WHEREAS this Association has been succeeded by the Valley Hospital Association, Inc.,

NOW, THEREFORE, in consideration of the mutual promise herein contained, the parties hereto do mutually covenant and agree as follows:

1. That the name of the present hospital hereafter be the "Valley Hospital, Operated by the Valley Hospital Association, Inc. and the Presbyterian Church in the U. S. A."

2. That the new hospital to be erected be known as the "Valley Presbyterian Hospital, Operated by the Valley Hospital Association, Inc. and the Presbyterian Church in the U. S. A."

3. That The Association will give The Board a grant mortgage, as security for the amount of The Board's investment to be made in the land and buildings of the new Valley Presbyterian Hospital, the same to be a first lien.

4. That The Board shall have the power to appoint at least two members to the Board of Directors of The Association, these two being the Field Representative for Alaska and the Presbyterian minister in Palmer.

5. That the Hospital, present and future, will be open to all, regardless of race, creed, or color and shall be open to Ministers of all faiths, except that the Chaplain's position shall be filled by the Presbyterian minister of Palmer, who shall serve in this capacity without pay.

6. That the Hospital be open staff.

7. That regular staff meetings shall be held in accordance with existing requirements for an accredited hospital or with amendments thereto that may from time to time be passed.

8. That The Board will contribute during the year 1952 the sum of \$3,000.00 (Three thousand dollars) towards the operating costs of the Hospital, it being understood that if there is any surplus from the year's operation, the said surplus shall be used for capital equipment, the nature of which shall be agreed to in writing by the parties hereto.

9. That a monthly statement of accounts will be prepared and presented at the regular monthly meetings of the Board of Directors and forwarded to the Department of Educational and Medical Work of The Board.

10. That The Board will cooperate in staffing the Hospital, it being understood that the position of Nurse Administrator must be agreed to in writing by The Board. It is understood that staff nurses may be hired locally as available and that for permanent appointment the qualifications of those nurses will be the same as in other National Missions hospitals.

11. That The Association shall keep safe and hold harmless The Board from any and all damage and liability whatsoever arising from or out of the occupancy or use of the premises.

12. That during the terms hereof The Association, at its own cost and expense, shall and will promptly observe and conform with all laws and regulations, rules, ordinances and requirements of the Federal, Territorial, and Local Governments, and of any other governmental authority affecting the Hospital premises or appurtenances or any part thereof whether the same are in existence at the commencement of the term hereof or may at any time in the future be passed.

13. That this agreement may be terminated upon a year's written notice of desired termination by either party.

14. That this agreement may be amended from time to time by further written agreements between the parties that shall thereupon be incorporated herein by reference.

IN WITNESS WHEREOF the parties hereto have caused this contract to be duly executed by their respective officers thereunto duly authorized, and their respective corporate seals to be affixed hereto duly attested the day and year first above written.

ATTEST:

S/ A. L. Roberts
A. L. Roberts, Secretary

BOARD OF NATIONAL MISSION OF THE
PRESBYTERIAN CHURCH IN THE UNITED
STATES OF AMERICA

By S/ D. Allan Locke
D. Allan Locke, Treasurer

VALLEY HOSPITAL ASSOCIATION, INC.

S/ Harlow J. Hodgson,
H.J. Hodgson, Vice President

By S/ George E. Smith
G.E. Smith, President

MAR 14 1958

The Presbyterian Board of National Missions gave notice at the meeting of the Board of Directors of the Valley Hospital Association March 15 to terminate the present contract with the Association for cooperation in the operation of the Valley Presbyterian Hospital in Palmer a year hence on March 15, 1958.

The relationship between the Board and the Association began in June, 1950 on the invitation of the Association. Since that date the Board has contributed approximately \$232,000 to the new hospital building, this amount being protected by a mortgage, has made an annual grant toward the operating expenses, and has assisted with the securing of personnel. The Board has been represented by two members on the Board of Directors, the minister of the United Protestant Church in Palmer and the Assistant Secretary for Work in Alaska, at present the Reverend Bertram Rutan and the Reverend Brian Cleworth respectively.

The reason for the church Board's decision to terminate the contract was the vote in the annual meeting of the Valley Hospital Association on February 15 to accept a contribution from the Liquor Dealers' Association which would be raised by a raffle. The Board requested that this contribution not be accepted because of the official stand on liquor and gambling of the Presbyterian Church which has given the church benevolence funds invested in the hospital. The vote to accept by a majority of five, 125 to 120, made it impossible for the Board as an agency of the church to continue the existing relationship, and hence the year's notice was given as required by the contract.

1 14 1957

INTER-OFFICE CORRESPONDENCE

BOARD OF NATIONAL MISSIONS

TO Dr. J. Earl Jackman
FROM Katharine E. Gladfelter
RE: Valley Presbyterian Hospital

DATE March 14, 1957
Dict'd 3/13/57

Attached is the material on the Valley Hospital which I promised you yesterday, namely the most recent contract between our Board and the Valley Hospital Association and copies of Dr. Mick's letter of January 20 and of my reply of February 8.

As I have glanced through the rest of our rather voluminous pile of correspondence it looks as though you have received copies of all other significant items, so I hope that you feel briefed for whatever you may encounter!

A telegram this morning from Brian Cleworth points out that it is urgent to have a news release ready for immediate use after the Friday meeting at which our move to terminate the contract is reported. I have, therefore, drafted this hastily and am attaching a copy.

KEG:md
Att.

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C O P Y

VALLEY PRESBYTERIAN HOSPITAL

Palmer, Alaska

March 15, 1957

Dear Miss Gladfelter:

The Board of Directors of the Valley Hospital Association acknowledges your letter of February 11. We agree that under the circumstances a termination of the 1952 contractual relationship is in order. Before making a decision, however, we are asking your opinion as to what effect this termination will have with respect to paragraph #3 of said contract. Several of us, for example, think that cancellation of this contract nullifies the mortgage contract now held by your organization.

Others believe that you also wish to withdraw the designation 'Presbyterian' from the hospitals present name. (See paragraph #2)

We all understand that you wish to withdraw the two present appointive members as specified in paragraph #4. This will incidentally relieve us of the present embarrassment of violating Territorial Law concerning Incorporations.

Does your notice imply that the Board of National Missions will no longer contribute an annual 'subsidy' to defray the insurance expense covering your Grant mortgage?

The advice of your Board on these matters will be greatly appreciated. Although Rev. Cleworth was present at our March 15 meeting and gave us indications of answers, we would like to have Board answers to the above questions.

Sincerely yours,

(signed)

Annie C. Demming
Secretary/Board of Directors

DR. JACKMAN

Board of National Missions
of the Presbyterian Church in the
United States of America

156 Fifth Avenue, New York 10, N. Y.

MAR 18 1957

re
Palmer Hospital

March 15, 1957

Mrs. Ray Lauderman
257 Fountain Avenue
Dayton 5, Ohio

My dear Mrs. Lauderman:

Miss Penfield has sent us a copy of your letter of March 6 and of her reply with the suggestion that we may wish to write you about the hospital in Palmer which is the only project mentioned to which our Department is related. We are very glad to do so and if we do not answer your questions, we do hope that you will write us directly.

We are puzzled that Reverend Lampe has the impression that because the government gave money (Mill-Burton funds) for the Valley Hospital building fund it could not be operated by our church. This is not the case as the Mill-Burton money is available for any hospital whether church related, voluntary, or public. Actually the original proposal of the Palmer people was that our Board take over and operate the hospital and we refused because we felt there was a real value in the local Association which could be lost if responsibility were shifted many miles away.

In connection with staff, nurses are scarce but then they are everywhere. We could use eight at Canado and Embudo right now if we could find them, while hospitals here in New York are equally hard up as I know from personal experience last spring when my mother was hospitalized for three periods. The Palmer hospital has never desired a staff physician so has never sought one. We have tried twice to interest Presbyterian doctors in Palmer but they would have been in private practice, not on the staff, since there is no provision for a staff physician.

Reverend Lampe is right that the hospital is in debt and this has concerned the local Board greatly. We suggested about a year and a half ago that our modest annual subsidy be increased,

(Continued on Page 2)

Page 2 - Miss Gladfelter to Mrs. Lauderman - March 15, 1957

but the local Board hoped to move toward a balanced budget and so no increase was made. The local people have been very proud of their hospital and those who serve as directors give much time to it.

In closing may I add that Alaska is in many ways our most difficult and yet most challenging mission field. It is still pioneer territory with a small and scattered population outside of a few towns. Many of those from the States who are there are in the armed services or have been drawn by the lure of high wages. In such cases, they expect to remain briefly and often have little sense of responsibility to their communities. The native people both Eskimo and Indian, are in a period of rapid social change which is bringing many problems of home, community and church life.

Our missionaries are in many places working against great odds, yet those at Sheldon Jackson and Haines House whom we know best, feel privileged to be able to help develop Christian leaders for the emerging Alaska. All need all the support the church can give in prayer and in gifts.

Very sincerely yours,

Katharine E. Gladfelter
Secretary, Department of
Educational and Medical Work

KEG:tc
cc: Miss Penfield
Dr. Jackman

INTER-OFFICE CORRESPONDENCE

BOARD OF NATIONAL MISSIONS

MAR 20 1957

TO Mr. William H. Irvine
FROM Lillian A. Windham
RE: Valley Presbyterian Hospital

DATE March 20, 1957

In Mr. Tribus' absence, would it be possible for you to give us a legal opinion in regard to the questions raised by Mrs. Denning, Secretary of the Board of Directors of the Valley Presbyterian Hospital, in her letter of March 15, a copy of which is attached.

In case you cannot lay your hands on the Treasury's copy of the agreement to which reference is made, we are attaching one.

The next meeting of the Hospital Board will probably be about the middle of April, so a letter will have to be sent to Mrs. Denning prior to that time.

LAW:md
Att.

cc: Dr. Sharp
Dr. Jackman ✓

Valley Presbyterian Hospital 1957

INTER-OFFICE CORRESPONDENCE

BOARD OF NATIONAL MISSIONS

Palmer, Alaska

TO Dr. Herman N. Morse
FROM Dr. Alexander E. Sharp
RE Lillian A. Windham
Valley Presbyterian Hospital

DATE March 22, 1957

Miss Penfield has asked me to clear with you the attached letter which she drafted yesterday before leaving on a field trip. She feels that it is extremely important for Presbyterian women to get the story re the termination of our contract with the Valley Hospital Association straight from us before rumors start to spread.

Will you please let me know today, if possible, whether you wish to suggest any changes?

LAW:md
Att.

cc: Dr. Jackman ✓
Miss Penfield

March 25, 1957

To: Synodical and Presbyterian Presidents
and National Missions Secretaries

Dear Friends of National Missions:

The attached sheet gives you information regarding the termination of the contract between the Board of National Missions and the Board of Directors of the Valley Hospital Association, Palmer, Alaska, as of March 15, 1958.

Presbyterian women should be informed fully and with skillful interpretation concerning this action, since it was their initial gift of \$232,000 in 1952 which helped make possible the new building of the Valley Presbyterian Hospital. Since 1952 the hearts and prayers of Presbyterian women have followed their "Winnies to Palmer". An awareness of the needs of the people in this Valley, made all of us even more conscious of the great pressures which come to Christian people in a far-flung, isolated frontier.

One of these problems which has continued to confront us and place stumbling blocks in our way has been the stress in Alaska, on one of the major evils of our day--the consumption of alcohol. When the local board voted (even though by a small majority) to accept a contribution through a raffle from the Liquor Dealers' Association, the Board of National Missions had only one recourse--to uphold the position of the Presbyterian Church in its pronouncements in relation to this great social problem.

Presbyterian women must be assured, however, that "all is not lost." This hospital is needed today just as definitely as it was in 1952. It will continue to ^{offer} a Christian ministry to this frontier area through the local Presbyterian pastor who will serve as the chaplain. And, too, we must realize that because of the greatness of our original gift and the knowledge of this gift in the whole of Alaska, that through this decision to terminate our formal contract on basic Christian principle, we are giving a great witness to the whole of Alaska.

God gives us many ways to share our faith with people of this world. In 1952, Presbyterian women shared their faith with their gifts; in 1957 they share their faith with their love and prayers that Christian leaders will be strengthened in their zeal to take Christ to the far-flung, isolated villages and cities and islands of Alaska.

Faithfully yours,

Elsie R. Penfield
Secretary, Department of Women's Work

The Presbyterian Board of National Missions gave notice at the meeting of the Board of Directors of the Valley Hospital Association March 15, 1957 to terminate the present contract with the Association for cooperation in the operation of the Valley Presbyterian Hospital in Palmer a year hence on March 15, 1958.

The relationship between the Board and the Association began in June, 1950 on the invitation of the Association. Since that date the Board has contributed approximately \$232,000 to the new hospital building, this amount being protected by a mortgage, has made an annual grant toward the operating expenses, and has assisted with the securing of personnel. The Board has been represented by two members on the Board of Directors, the minister of the United Protestant Church in Palmer and the Administrative Secretary for Work in Alaska, at present the Reverend Bertram Rutan and the Reverend Brian Cleworth respectively.

The reason for the church Board's decision to terminate the contract was the vote in the annual meeting of the Valley Hospital Association on February 15 to accept a contribution from the Liquor Dealers' Association which would be raised by a raffle. The Board requested that this contribution not be accepted because of the official stand on liquor and gambling of the Presbyterian Church which has given the church benevolence funds invested in the hospital. The vote to accept by a majority of five, 125 to 120, made it impossible for the Board as an agency of the church to continue the existing relationship, and hence the year's notice was given as required by the contract.

Valley Presbyterian Hospital

Board of National Missions
of the Presbyterian Church in the
United States of America
156 Fifth Avenue, New York 10, N. Y.

APR 11 1957

April 10, 1957

My dear Mr. Cleworth and Mr. Rutan:

We are enclosing for your information a copy of the legal opinion from Alaska referred to in the enclosed copy of our letter to Mrs. Demming.

As you see, it is from Mr. Boochever in Juneau.

Very sincerely yours,

Katharine E. Gladfelter
Secretary, Department of
Educational and Medical Work

The Reverend Brian Cleworth
Box 2539
Juneau, Alaska

The Reverend Bertram Rutan
Box 235
Palmer, Alaska

KEG:md
cc: Dr. Jackman ✓

Enclosures

APR 1 1957

LAW OFFICES OF
FAULKNER, BANFIELD & BOOCHEVER
P. O. BOX 1121
JUNEAU, ALASKA

March 22, 1957

Mr. Lucien H. Tribus
Legal Counsel
Board of National Missions
156 Fifth Avenue
New York 10, N. Y.

Re: Contract between Board of National
Missions and the Valley Hospital
Associations, Inc.

Dear Mr. Tribus:

Further reference is made to your letter of March 11 requesting our opinion as to whether or not the Valley Hospital Association had the right to delegate to the Board of National Missions the authority to appoint at least two members to the Board of Directors of the Hospital Association.

We have checked the records of the Director of Finance pertaining to the Articles of Incorporation of the Valley Hospital Association, Inc. Articles that touch on the problem involved are as follows:

Article II - wherein it is stated in part, "It shall have full power and authority to elect such officers as it deems necessary ... to do any and all things necessary or proper in carrying out the purposes and objects of the corporation."

Article II - 4 - authorizes the association to join or consolidate with and to enter into agreements and cooperate" in all matters not in contradiction of law with any person, firm, association or government, municipal or otherwise, in and about the carrying out of the purposes of the corporation.

The Articles state that members of the Association shall be in incorporators and "such persons as from time to time become members in accordance with the Bylaws. Each member has one vote. Membership is open to all persons over 21 who pay an annual membership fee. Article VIII specifies that the management is vested in a Board of Directors of not less than seven nor more than eleven, each of whom shall be a member of the corporation, and the majority of whom shall be residents of Alaska. It specifies that the Board of Directors shall be elected on February 15 each year.

2 - Mr. Lucien H. Tribus - March 22, 1957

The Bylaws are not required to be filed under the laws of Alaska, and we had no opportunity to inspect them.

The Alaska law pertaining to charitable corporations is silent as to the manner in which the directors are elected. Section 36-4-2 ACILA 1949 states that the articles of incorporation shall contain a provision as to what officers the affairs of the corporation shall be managed by, and when such officers are to be elected. This implies that the board of directors would have to be elected. Section 36-1-91 ACILA 1949, applying to the ordinary domestic corporation, states that the board of directors "shall be elected at the first meeting of stockholders and annually thereafter. . ."

Generally speaking, directors must be elected by the stockholders or members of a corporation. Thus it is stated in 19 Corpus Juris Secundum, Sec. 716b, page 33, "The stockholders of a corporation cannot delegate the right to elect directors or trustees to the members of another association distinct therefrom, whether such other association is incorporated, or unincorporated. See In re North Forest Cemetery Association, 19 Pa. Dist. 730; Johnson vs. Automatic Steel Products, 60 Atl. 2nd 455, affirmed 64 Atl. 2nd 416; 6 AFR 2nd 170.

Accordingly, we conclude that the Valley Hospital Association, Inc. did not have the power to authorize the Board of National Missions to appoint at least two members to the Board of Directors of the Association.

It is possible that the same ends might be reached by entering into an agreement pertaining to the management of the hospital during the period of time that the indebtedness to the Board of National Missions is in effect. Such an agreement could provide that the management of the hospital be under a board composed of a certain number of directors, so many to be appointed by the Valley Hospital Association and so many by the Board of National Missions. This would in no manner interfere with the Association electing its own Board of Directors.

If we can be of further assistance in this matter, please let us know.

Yours very truly,

FAULKNER, BANFIELD & BOOCHEVER

By

R. Booschever

RB:vm

Board of National Missions
of the Presbyterian Church in the
United States of America

156 Fifth Avenue, New York 10, N. Y.

APR 11 1957

April 10, 1957

Mrs. Richard Demming
Box 675
Palmer, Alaska

My dear Mrs. Demming:

Mr. Tribus, the Board's Legal Counsel and I have just reviewed your letter of March 15 raising several questions for the local Board of the Valley Hospital Association.

- 1-- The grant mortgage which our Board holds on the Valley Presbyterian Hospital building and the operating agreement which is to be terminated March 15, 1958, are two entirely separate instruments.

The former safeguards our capital investment in the building. The latter is a working agreement or contract for cooperation in operation. The termination of the latter does not, therefore, affect the mortgage which continues in force.

- 2-- At no time has our Board indicated any desire to withdraw the term "Presbyterian" from the name of the hospital.
- 3-- We have also indicated no desire to withdraw our two members who were appointed under the terms of the operating agreement. We anticipated that they would automatically cease to serve when the agreement is terminated, but under the By-Laws quoted on page two the local Board shall "at all times" include the two appointive members named by our Board.
- 4-- The annual subsidy paid by our Board under the terms of the agreement is not intended as implied by your question and by statements printed in the newspapers and attributed to Dr. Wick "to defray the insurance expense covering our grant mortgage."

At one period when the insurance had lapsed and the local Board delayed in taking out new insurance our Board secured the insurance to protect our investment. While we paid the premiums the Treasury ruled that the cost should be deducted from our subsidy. When the local Board again took out the insurance our subsidy was paid as usual toward the total operating expenses.

With the termination of the working agreement the subsidy which is provided for in this agreement will no longer be paid. We will, of course, pay in full for 1957 and for 1958 will pay the proportionate amount due to the termination date.

April 10, 1957

Since a question was raised about the legality of our representation on the local Board, legal opinion was sought in Alaska. The lawyer consulted has referred to the Articles of Incorporation of the Hospital, Article VIII of which provides for election of the Board of Directors at the annual meeting. However he also pointed out that he had not been able to inspect the By-Laws since the laws of Alaska do not require that they be filed. The By-Laws are actually in conflict with the Articles, since they provide in Article IV, Section Two of the 1956 Revision that:

"The Board of Directors shall consist of eleven (11) members. The Board shall at all times include two appointive members to be named by the Board of National Missions of the Presbyterian Church in the U. S. A. The remaining number of directors shall be elected at large from the immediate community served by the Valley Presbyterian Hospital."

Legal opinion here in the States is of the opinion that since our representatives have been seated for almost five years with full rights of membership they could be considered to have a presumptive right to continue. This could, however, be determined only by a test case.

If our relationship in the operation of the hospital were to be continued, i. e. if the agreement were not to be terminated, a new arrangement for our representation would be essential. However, in view of the pending termination and the legal opinions given above, it is our sincere hope that membership to March 15, 1958 will be continued on the full participation basis called for in the agreement.

Very sincerely yours,

Katharine E. Gladfelter
Secretary, Department of
Educational and Medical Work

REG:md

cc: Mr. Rutan
Mr. Cleworth
Dr. Jackson ✓
Mr. Tribus

Palmer

Board of National Missions
of the Presbyterian Church in the
United States of America

156 Fifth Avenue, New York 10, N. Y.

April 12, 1957

Dr. Richard S. Blair
Westminster Presbyterian Church
Arnett at Wellington
Rochester 11, New York

Dear Dick:

Sorry that I was not at the office when you stopped in. Miss Koerner tells me that you would like to have a picture of the Anchorage High School. I have two of that building and will try to get copies made from them as soon as possible.

During my recent trip to Alaska, I had a meeting of about thirty to forty people of the congregation at Palmer to discuss the proposal of becoming an outright Presbyterian church. There is some opposition to it, particularly from the oldtimers who have a sentimental reason for keeping the name United Protestant Church. In our discussion we told them frankly they did not need to change the name, but rather to change the form of government to make it conform to the usual Presbyterian pattern so that there would be no difficulty in relationships with the Presbytery, they would have a smoother running church government, and they could put the word Presbyterian in parentheses under the name United Protestant Church so that people would understand that there is a definite relationship between the church and the Presbytery. We went over the whole history of the church, including the county allocation to the Presbyterians for a protestant ministry. Only three of the people there spoke against the proposal, and one of them is active in the church but not a member.

Our meeting, which was called to discuss the proposal of becoming a Presbyterian church, was not called to take any action on it, but rather to discuss it more fully so that there would be a complete understanding about it. Of their own accord, the people decided to have the Church Council send out some basic information and have a mail vote to get the sentiment of the people regarding the change. A letter from Bert Rutan states that the attitude

of the people and atmosphere was good following our meeting. This is something which we cannot hurry, and should not be brought to a vote until the people themselves are ready for it.

Best regards to you.

Cordially yours,

J. Earl Jackman

JED:lt

Valley Presbyterian Hospital

APR 25 1957

April 22, 1957

Miss Lillian Windham, Assistant Secretary
Depart. of Educational & Medical Work
156 Fifth Avenue
New York 10, N.Y.

Dear Miss Windham:

The Valley Presbyterian Hospital Board met last Friday evening with everyone present except Dr. Mick who was out of town on business. Mrs. Brewer presided.

Miss Gladfelter's reply to the hospital board letter and questions was read with little comment and general acceptance except for the matter of the legality of the two appointive members. Although several spoke against their continuation, it was generally felt that their current participation should continue unless the issue is forced from outside the board membership. There was, however, strong objection to our having an alternate vote for our second vote when the appointed member cannot be present. Although aware that a previous board had approved this procedure it was felt that the present board does not.

Following the recommendation made by the Policy Committee early this year, it was decided to suggest that Mrs. McKinley be our second appointed member so that we could have two votes every month rather than when the Assistant Secretary could be present. Although I pointed out that the working agreement names the Assistant Secretary as a member, the hospital board felt that the Board of National Missions should confirm its second vote with awareness that an alternate vote would not be recognized any more than it would be for Dr. Mick or anyone else who is out of town often.

No mention of immediate termination was made. Since it now seems quite doubtful that the liquor dealers will conduct their raffle for the hospital, the matter of our subsidy was probably a strong factor in this lack of mention. An increase in room rates for May 1 was approved due to the continuing monthly deficit although the increase will still leave us below comparative room rates for Anchorage.

Concerning Mr. Cleworth's letter about the inadequate wording of last month's minutes regarding the Board paying for hospital insurance, I had them corrected to read that if the Board of National Missions does have to carry the insurance it will be billed as an account payable to be paid by the hospital.

Sincerely yours,

Bertram H. Rutan

cc: Rev. Brian Cleworth
Dr. J. Earl Jackman

Valley Presbyterian Hospital
Board of National Missions
of the Presbyterian Church in the
United States of America

156 Fifth Avenue, New York 10, N. Y.

APR 30 1957

April 26, 1957

My dear Mr. Cleworth:

Mr. Rutan's letter of April 22 reporting on last week's meeting of the local board for the Valley Presbyterian Hospital was received in time for consideration by the Board at its annual meeting, April 26-27. You have received a copy of this letter and so know of the feeling of the board that the Board of National Missions should not have an alternate for you since such alternates are not provided for Dr. Mick or any other member who is out of town frequently. We presented the situation to the Board and recommended that if after consultation with you it seemed preferable, we be permitted to name Mrs. McKinley as our second member on the local board in place of the field representative. This appointment, if made, would of course be only for the balance of the contract, that is until March 15, 1958, since any further relationship which we might wish to consider after that date, always of course on the request of the local board, would contain quite different provisions for National Missions representatives than those now prevailing.

We do hope that you will feel perfectly free to advise against the proposal relative to Mrs. McKinley, if you think it desirable for you to maintain the official relationship. All we did was to clear the way for action if after consultation any change seemed advisable.

Very sincerely yours,

Katharine E. Gladfelter
Secretary, Department of
Educational and Medical Work

The Reverend Brian Cleworth
Box 2539
Juneau, Alaska

KEG:tc
cc: Dr. Jackman ✓
Rev. Rutan

Board of National Missions
of the Presbyterian Church in the
United States of America

156 Fifth Avenue, New York 10, N. Y.

April 30, 1957

The Rev. Bertram H. Rutan
Palmer, Alaska

Dear Bert:

Thank you for your letter of April 26th about the Preaching Mission to St. Lawrence Island. Since they have been without ministerial service in both places for some weeks now, it might be the proper time for you to go over late June or early July. It would be my reaction that you and Lowell should work this out at a time which in your judgment is best for Campbell and Palmer. We have checked dates with Miss Gladfelter and she plans to be in Palmer early in August.

When you go, take my greetings to the people of both communities. We are ready to make an advance for you out of the Evangelistic Fund to cover your expenses while there. Tell us how much we should send and you can give us an accounting of it after you return. We are doing this in anticipation of the fact that the churches in Yukon Presbytery will remember this item of expense when they make a contribution to the General Transportation Fund of the Evangelistic Mission.

We have had some inter-office memos here regarding your need for extra sheets. I would suggest that you get six double and six single sheets with pillowcases to match and send me the bill. Get a good quality which will last a while. If the family checking account will not stand it, tell me how much they will be and we will send you a check in advance.

Best regards to all of you. We trust that your work is going well.

Cordially,

J. Earl Jackman

JBJ:lt
Cc.: The Rev. Brian Cleworth

MAY 13 1957

May 8, 1957

Dr. William R. Johnston
First Presbyterian Church
78 Morgantown Street
Uniontown, Pennsylvania

Dear Bill:

It was good to hear from you again, and I hope that I can clear up your question about the Palmer Hospital. I know that many of the women across the church will be raising the same question and perhaps there will be a general statement coming from the Board of National Missions to clarify the situation.

The Palmer Hospital was built with funds from the Federal Government, the community, and the Presbyterian Church. There was a Board of Directors, representing these interests, to administer the affairs of the hospital. The hospital had been struggling for some time, as most hospitals do, with meeting its expenses. Then the local liquor interests gave a large sum of money to the hospital which the community and government had no objection to accepting. However, our Church stood firm in refusing the money and later threatened the withdrawal of all Presbyterian support if the money was accepted. I am sure that the majority of the people across our Church will agree that we cannot accept the support of the liquor interests.

Although it is extremely unfortunate that the project had to turn out this way, I am certain that everything was done to maintain our interest in the hospital without sacrificing our convictions.

Our family is well and enjoying a few long days of sunshine lately as we clean up the church and manse grounds. The summer work has started for our people, taking them away from services, but we have more time now to get out to see them where they work in canneries and logging camps.

Sincerely yours,

Ron Snelling

copy: Dr. J. Earl Jackman

Valley Presbyterian Hospital

INTER-OFFICE CORRESPONDENCE

JUL 15 1957

BOARD OF NATIONAL MISSIONS

Dr. Morse

Dr. Sharp

Mr. Locke

Dr. Jackson ✓

TO

FROM

RE:

Miss Gladfelter

Valley Presbyterian Hospital

DATE July 12, 1957

I asked Mr. Rutan in a recent letter what had happened to the proposed contribution to the Valley Presbyterian Hospital from the Liquor Dealers' Association, and think you will be interested in his letter of July 6.

"Concerning the contribution from the Liquor Dealers, this seems to be a dead issue. Evidently the proviso and publicity surrounding our membership meeting was enough to make the relationship unattractive to the liquor dealers. Nothing official has been said one way or the other and I think that many people would prefer to forget the whole thing. The suggestions I have made that the results of this situation should be reported, in all fairness, to the membership at large have met with little enthusiasm on the part of most of the Board members."

I will be in Palmer early in August and have told Mr. Rutan, in reply to an inquiry from him, that I would be glad to meet with the local Board if they so desire.

REG:md

DSG

U.P. Church
Palmer, Alaska

January 23, 1958

Dear Brian:

I would like to request, from the \$500 manse furnishings fund for Palmer, a refund of half the purchase price of the following items purchased last year. A letter from Dr. Jackman gave us authorization to use these funds for fixtures as well as the items normally termed "furnishings".

30" Westinghouse electric range (purchased from Wolfe's)	\$234.00
1 new toilet tank and bowl for manse bathroom (McCartney's)	50.00
2 manse living room table lamps @ \$13.00 each	<u>26.00</u>
	\$310.00

refund request: 150.00

Sincerely,

Bert

MAR 24 1958



"THE CHURCH OF A THOUSAND TREES"

United Protestant Church

PALMER, ALASKA

BERTRAM H. RUTAN, MINISTER

PHONE PI.4370

March 11, 1958

The Rev. Brian Cleworth
Box 2539
Juneau, Alaska

Dear Brian:

We would again like to draw on the \$500 manse furnishing funds granted to us last year. Some time ago I submitted a request, with itemization, for \$150 of this. If I remember correctly, a letter from Miss Koerner indicated that requests on this fund should be made through you rather than directly to Dr. Jackman's office. Since we are attempting to have both the additions made and the payments completed prior to Presbytery, I would appreciate it if the above request and the new one could be attended to within the next few weeks.

Our request is for another \$150 for a sink-cabinet unit in the kitchen. A letter from Dr. Jackman some time after the fund was granted gave permission to use this fund for fixtures as well as furnishings. The church will match this amount. I should add that a dish-washer is being included but the Rutan's are making this a gift to the church. We do not want you to feel that Board funds are being used for a dishwasher (which I doubt would be on the approved list!)

In view of your request to be near the church during Presbytery, we will have you stay with Bob and Helen Crites. We thought this would be something to be mutually enjoyed.

I had a very fine time on St. Lawrence Island. I hope that the occasion did as much for the churches as it did for me. Both the comments and the overt response indicated that the meetings had accomplished something worthwhile in the lives of the villagers. I returned to find Irene's card on "The Long Stride" in Saturday morning's mail. Mr.s Hurley took it in Sunday and met Mrs. Weeks at the Girl Scout meeting so they received it in time. Ralph has "My New Life" and will get it to us and Wasilla late this week. Where does it go from here?

Cordially,

(Ber)

*forwarded to
"156" BHC*

*Earl:
will you
please take
care of this.
BHC*

*Palmer, Alaska
Manse side.*

The Rev. Bertram H. Rutan

Dept. of Work in Alaska

3/27/58

NMAH check #69117 for \$300. with accounting forms in triplicate

We are attaching our Board's check for \$300. in response to your March 11th letter to Mr. Cleworth which was forwarded to our office. We also have a letter of January 23rd, which was "snowed under" the vast accumulation, for \$150. toward the \$310. expended for the 30" Westmingshous electric range.. 234.

1 new toilet tank and bowl..... 50.

2 manse living room table lamps. 26.

The enclosed check is for this \$150. toward the furnishings plus another \$150. for a sink-cabinet unit in the kitchen. Please note, when returning the enclosed accounting form in duplicate, we must have receipted bills for any purchases. The Treasury is becoming more rigid on this ruling each day, so please attach these to your completed accounting forms and return them to our office. Thank you.

Dept. of Work in Alaska

per

FK
CC: The Rev. Brian H. Cleworth for info!

P.S. on Mr. Cleworth's copy only: This is a part of the \$500. balance for Palmer Manse furnishings per your 8/31/57 balances on Treas. memo of 9/12/57. This now leaves a \$200. balance in this particular a/c.
Greetings to all!

al
Palmer Ch. Hl.

March 15, 1960

Mrs. Howard Estelle
Star Route
Palmer, Alaska

Dear Mrs. Estelle:

Thank you for your letter of February 29 about the problems facing the Trustees of the United Protestant Church regarding the departure of the Putans and the coming of a new minister. We realize that you are nearing self-support and will have the face many of these problems which are involved. Under self-support, the congregation would have the responsibility for all of the financial questions involved, but we want you to know that the Department of Work in Alaska is ready to serve you in any way we can.

We are enclosing a mimeographed statement of relationships with the field and the number of responsibilities which are involved in the support of missionary-pastors. This can be a general guide for you.

Meanwhile, in answer to your questions--according the basic plans, the Putans would be due for four months of furlough after four years of service. In connection with this, we usually think of the regular month's vacation being extended to four months. The Putans came from New Jersey so that their transportation would be to New Jersey. However, in this case, it may be possible to divide these costs between the Palmer Church and the new field of service to which they will go. We are enclosing a copy of our conditions of service which point out the method upon which these costs are calculated.

Best regards to all of your

Sincerely,

J. Earl Jackson, Secretary
Dept. of Work in Alaska

JEJ:bh
cc: The Rev. W. M. Pritchard

Enc.

MAR 7 1960

Palmer, Alaska
February 29, 1960

Dr. J. Earl Jackman, Secretary
Dept. of Work in Alaska, Board of Nat'l. Missions
New York, New York

Dear Dr. Jackman:

The Board of Trustees of the United Protestant Church wishes to ask your advice on some of the problems we find ourselves facing, in connection with the leaving of the Rutans. Since we are now almost a self-supporting church, our responsibilities seem to be somewhat different than in previous situations when our pastors have left, and we would like some guidance as to what our policies and actions should be, both now and in possible future situations.

These are some of the questions which have been puzzling us:

1. The amount of furlough due Mr. Rutan. Do we continue payments of salary and pension for the full four months, or is the amount of vacation he has taken each year to be subtracted from that time?
2. Transportation of family and of household goods. Is it our responsibility to pay these costs, and if so, to what point or distance?
3. What costs should we plan to pay for the incoming minister? We realize, of course, that this may depend on whether we are able to obtain someone already in Alaska or whether he will be coming a greater distance.

We are sorry to be losing Mr. Rutan and we do want to avoid embarrassment over financial matters and to be sure that we are fulfilling our rightful responsibilities. The members of the present Board have had little experience in this situation and we will greatly appreciate any help and advice you may be able to give us on these questions. Also, perhaps there are things you can suggest which we have not foreseen and should be thinking about.

Thank you very much.

Sincerely yours,

Ruth Estelle

Ruth Estelle, clerk
Board of Trustees
United Protestant Church

(Mrs. Howard Estelle
Star Route
Palmer, Alaska)

Palmer Church

August 9, 1960

Mrs. Marjorie Brewer
Palmer
Alaska

Dear Mrs. Brewer:

Thank you for your letter of July 15 regarding the travel expense for the minister of the Palmer Church.

We had received the request late in 1959 for the appropriation of \$600 during 1960 from National Missions for the travel expense on the field. This was docketed and was being paid to Mr. Rutan while he was there. When the Congregation acted upon the call of Mr. Moyer, we received no information from the Congregation or the Committee of the Presbytery that the continuation of this grant was to be expected from National Missions. It took me about two months to discover what the conditions of the call were, and I could find no reference in the call, nor in the conditions of the call which were in the Presbytery minutes, that either the Congregation or National Missions was expected to pay any travel for the field, in fact, there was no reference to it that I could find. This is the reason we raised the question.

It is always a great encouragement when local congregations in Alaska can move forward and take their full responsibility in finances. However, it is not our desire to push congregations beyond their capacity so that we may have been a little more lenient in these things than we should be, but we want to encourage congregations to take a step at a time unto full maturity in government and financial responsibility for themselves and for larger participation in the total work of the Kingdom through our Church at large.

We completely agree with you that pastoral calling is a most essential part of the ministry of a church to its community and those responsible for this ministry should recognize it and pay the bill. From our end, we keep emphasizing this in the minds of all of our ministers. In order to assist the congregation further in its financial advance, we have docketed \$50.00 a month for travel on the field to Mr. Moyer beginning July 1. In November, we should take up the question whether the Congregation will be able to assume this for next year or whether, in light of other responsibilities, National Missions might be asked to do it again. National Missions should not do anything which a local congregation is able to do, but at the same time, we should extend our help toward full self-support.

Personal regards to you and your husband and to the members of your congregation.

Cordially,

J. Earl Jackman, Secretary
Dept. of Work in Alaska

JEJ:bh
cc: Rev. Wm. Fritchard
Miss Alice Green

JUL 18 1960



"THE CHURCH OF A THOUSAND TREES"

United Protestant Church

PALMER, ALASKA

BERTRAM H. RUTAN, MINISTER

PHONE PI-5.4370

July 15, 1960

Dr. J. Earl Jackman, Secretary
Dept. of Work in Alaska
475 Riverside Drive
New York 27, New York

*ok deducted Expense
from 7/1/60 D 50. - no
SK 7/28/60*

Dear Dr. Jackman:

I am writing you in reference to the \$600 car expense allowance for our church. In drawing up the budget for 1960, the Session recommended to the congregation that a request be made to the Board of National Missions for continuation of the then current \$600 subsidy for that purpose.

At the annual Congregational Meeting held on January 10, 1960, it was duly moved, seconded and unanimously passed that the Board of National Missions be asked for this help. We have since proceeded in the assumption that a favorable reply had been received to our request. In fact, our call to The Rev. Paul Moyer included the \$600 car allowance in its terms.

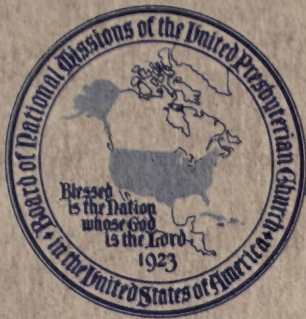
We consider pastoral calling a most important part of the ministry and evangelism of the Church. It is, of course, a rather expensive undertaking here in view of the widely-scattered residents of our area.

Have we been correct in proceeding in our assumption that the \$600 would be made available to us from the Board? We would appreciate an early reply, since adding this expense to our current budget would require immediate adjustments.

Most sincerely,

Marjorie Brewer

Marjorie Brewer, Church Secretary



*al de
Palmer, al de*

NOV 21 1960

BOARD OF NATIONAL MISSIONS

OF THE UNITED PRESBYTERIAN CHURCH IN THE UNITED STATES OF AMERICA

475 RIVERSIDE DRIVE, NEW YORK 27, N. Y.

RIVERSIDE 9-2200

November 22, 1960

Reverend Paul Mayer
Palmer
Alaska

Dear Paul:

While out at the meeting the other day I took the opportunity to check to see if the structural weakness in the manse basement had ever been corrected. It had not and by all means it should be. In its present condition the structure itself may be damaged and it could be dangerous to the occupants.

May I suggest the following:

1. Replace present patched post with 6 x 6 full length wood columns running from the girders to the floor or other solid bearing.
2. Place new columns to support girders in place of patched up partitions.
3. Give all girders full and adequate bearing directly on columns instead of on pieces scabbed on sides of columns.
4. Install a hand rail on stairs to second floor.

If the church is not able to finance this work, please advise, so that we can help if necessary.

Yours very truly,

Glen V. Carson

Glen V. Carson
Property Secretary

GVC:rf
cc Dr. Jackman
Rev. William Pritchard

END OF ROLL # 16

CERTIFICATE OF AUTHENTICITY

This is to certify that the records contained on this microfilm are the actual records of the

United Presbyterian Church in the U.S.A. Board of National Missions.

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Presbyterian Historical Society
Presbyterian Church (USA)
425 Lombard St.
Philadelphia, PA 19147-1516

Charles Fitch
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